



Packet Related Material

Memo

Agenda

Calendar

Notices and Agendas:

None

Legislation for Discussion at Committee of the Whole on July 30th:

Res 03-20 To Approve Application and Authorize Grant From the Business Investment Incentive Loan Fund (Lotus Arts and Education Foundation, Inc., Petitioner)

- Memo from Maren McGrane, Director of Economic Development; EDC
Res 03-03; Application - Cover Letter; Application; Business Plan; Staff
Resumes; Photos of Equipment; Program Guidelines

Contact: Maren McGrane at 349-3406 or mcgranem@city.bloomington.in.us

Memo from Maren McGrane, Director of Economic Development, Regarding the Next Two Resolutions

Res 03-21 To Approve a Statement of Benefits - Re: 612 and 614 West Kirkwood (B&L Rentals, LLC, Petitioner)

- Application; Statement of Benefits; Tax Calculations

Res 03-22 To Approve a Statement of Benefits - Re: 718, 720, 722 West Kirkwood (B&L Rentals, LLC, Petitioner)

- Application; Statement of Benefits; Tax Calculations; Photos

Contact: Maren McGrane at 349-3406 or mcgranem@city.bloomington.in.us

Res 03-24 Approving an Addendum to the Benchmark Agreement for the Indiana Enterprise Center Initially Approved by Resolution 01-11

- Memo from Maren McGrane, Director of Economic Development; Map of CREED District; Addendum to Agreement; Map of Parcels and Ownership; Initial Economic Development Financing Agreement (Dated 7/11/01); Map of TIF District (otherwise known as an Economic Development Area - EDA); Drawings for New Business Park

Contact: Maren McGrane at 349-3406 or mcgranem@city.bloomington.in.us

Ord 03-17 To Amend Title 15 of the Bloomington Municipal Code Entitled "Vehicles and Traffic" (Affecting Class D Parking Fines, Display of Parking Permits, Appeals, and Other Miscellaneous Regulations)

- Memo from James McNamara, Deputy Mayor (*In this Packet*); (*Please see the July 18th packet for excerpts of Title 15 with annotated changes*)

Contact: James McNamara at 349-3406 or mcnamarj@city.bloomington.in.us

Ord 03-18 To Amend Chapter 15.26 of the Bloomington Municipal Code Entitled "Neighborhood Traffic Safety Program" (Amending Schedule J-1 in Order to Identify Traffic Calming Devices to be Installed on West Third Street Between Maple Street and Walker Street)

(*Please see the July 18th packet for the summary, legislation, and background materials*)

Contact: Justin Wykoff at 349-3593 or wykoffj@city.bloomington.in.us

Legislation and Background Material for Final Action on August 6th:

Res 03-15 To Confirm Resolution 03-14 which Designated an Economic Revitalization Area (ERA) - Re: 1300 S. Patterson Drive (PTS Corporation, Petitioner)

- Statement of Benefits; (*Please see the July 3rd packet for the previous legislation, background material and a more thorough explanation of this proposal*)

Contact: Maren McGrane at 349-3406 or mcgranem@city.bloomington.in.us

Memo

Reminder: Departmental Budget Hearings on Monday and Tuesday at 7:00 p.m.

Chair of Meeting: Rollo

**Four Resolutions Join Two Ordinances on the July 30th Committee of the Whole
Two Items have been Rescheduled or Postponed from
July 23rd to August 6th Regular Session**

There are six items on the Committee of the Whole agenda next week. Two of them are ordinances amending Title 15 that were introduced last week and can be found in your July 18th packet. Four are economic development resolutions that are new and can be found in this packet. They are summarized further in this memo.

Please note that, in order to prepare you for all the items you will be considering before the August Recess, this packet also includes the confirming resolution for

the PTS tax abatement, which was rescheduled from July 23rd to August 6th. App Ord 03-06 will also be heard on that date and can be found in the July 3rd packet.

These items are briefly noted below, and the new ones are summarized further in the memo and included in the packet.

Items for Discussion at the July 30th Committee of the Whole

Res 03-20 (New) Authorizing \$25,000 Grant from the Bloomington Business Investment Incentive Fund to the Lotus Education and Arts Foundation, Inc. for Equipment

Res 03-21 (New) Approving the Statement of Benefits and Authorizing a 10-Year Tax Abatement for New Construction within the West Kirkwood Corridor ERA (612-14 West Kirkwood, B&L Rentals, Petitioner)

Res 03-22 (New) Approving the Statement of Benefits, Waiving Petitioner Timeliness in Submitting Statement of Benefits, and Authorizing a 10-Year Tax Abatement for the Renovation of a 100-Year Old Queen Anne Style House within the West Kirkwood Corridor ERA (718-22 West Kirkwood, B&L Rentals, Petitioner)

Res 03-24 (New) Approving Addendum to the Benchmark Agreement for the Indiana Enterprise Center Initially Approved by Resolution 01-11 (Adding New Benchmarks and Scheduling the Repayment of \$1.1 Million in TIF Funds by the CREED Revenues that were Used to Demolish Building One)

Ord 03-18 Amending Chapter 15.26 of the Bloomington Municipal Code Entitled “Neighborhood Traffic Safety Program” in Order to Authorize the Installation of Traffic Calming Devices (9 Street Narrowing Bump Outs) on West Third Street Between Maple Street and Walker Street

Ord 03-17 Amending Title 15 of the Bloomington Municipal Code by Raising Parking Fines and Affecting Provisions Regarding the Display of Parking Permits, Appeals, and Other Miscellaneous Matters (*Please see Deputy McNamara's Memo in this Packet*)

Additional Items Either Rescheduled or Postponed from the July 23rd to the August 6th Regular Session

Res 03-15 (New) Confirming Res 03-14 which Designated an ERA, Approved a Statement of Benefits and Authorized a 5-Year Tax Abatement for the Installation of \$2.6 Million of New Manufacturing Equipment in Building Two of the IEC (PTS, Petitioner)

App Ord 03-06 Appropriating \$49,990 from the Infrastructure Portion of the Telecommunications Fund to Provide High-Speed Access to the City Network for Seven Remote Facilities

Resolution Authorizing \$25,000 Grant from the Bloomington Business Investment Incentive Fund to the Lotus Education and Arts Foundation, Inc. for Equipment

Res 03-20 authorizes a \$25,000 grant from the Bloomington Investment Incentive Fund (BIIF) program for the Lotus Education and Arts Foundation, Inc. (Lotus). Lotus will be celebrating the 10th anniversary of its Lotus World Music and Arts Festival this year and has applied for matching funds under the program's non-profit grant initiative.

Request and Purpose of the Non-Profit Grant Initiative

The non-profit grant initiative offers small, matching grants to encourage capital investments to facilities owned or operated by certain non-profits in the Downtown Development Opportunity Overlay (DDOO) district. These non-profits must have a retail or commercial activity as their primary purpose. The grants may be as high as \$25,000 and must be matched by at least an equivalent amount of eligible project costs. In this case, Lotus wishes to use most of the grant to purchase tents, tent flooring, stage backdrops and modular staging, and information kiosks. These items have been rented in the past and will be used for other events throughout the year. The grant would also help purchase a printer and digital camera.

Fund

The small grant initiative is a relatively minor portion of the Bloomington Investment Incentive Fund program. The program began in 1986 when the City established a fund with a \$400,000 allocation from the Special Non-Reverting Fund and underwent a comprehensive revision in 1999 when new guidelines were approved. At present

there are four loan programs for capital projects and one for operating costs. Maren McGrane reports that the fund had a balance of \$641,638 as of July 11, 2003, which will drop by \$100,000 once the loan to PTS has been issued.

Highlights of Lotus Application For Grant

In mid-July Lotus submitted an application to the Economic Development Commission which adopted a resolution approving it. The following are the list of eligibility and evaluation criteria for applications under the small non-profit grant and its umbrella loan program. Please note that some of the evaluation criteria only apply to the downtown loan program and are not relevant to applications under the grant program. The comments in italics are my efforts to apply the information about Lotus to the criteria.

Eligibility

- **Non-Profit** - *Lotus is a non-profit entity.*
- **Capital Improvements to Facilities in DDOO** - *Lotus is requesting matching funds primarily to purchase equipment for staging the festival. This equipment includes tents, stage frames, scrims, and flooring that are usually rented and erected in the downtown each year. While not traditionally considered a capital improvement, the Administration is pursuing this request for equipment, because it will promote or improve facilities that will attract people to the downtown and be used for a long period of time.*
- **50% Matching Funds** - *Lotus is seeking \$25,000 to buy equipment that will cost over \$50,000 and has identified the sources of the matching funds (see application).*
- **No Other Program Funds in Last 5 Years** - *Lotus has not received funds under this program in the last five years.*

Evaluation Criteria

- Strength of the business plan or proposal
 - * *Lotus has been operating for 10 years*
 - * *It provided a well-articulated business plan for an enterprise based upon live performances*
 - * *The board and staff have expertise in this area (see membership and resumes)*

- * It has shown a net income over the last three years (at times nominal) and routinely calls upon volunteers to lower program costs.*
- Projected impact on the economic vitality of the downtown
 - * The background materials assert that the festival alone attracted 6,000 people who spent an estimated \$100,000 in the community last fall.*
- Use of grant to leverage other funds
 - * Lotus will use the grant to reduce recurring costs and improve the professional standards for staging the performances, both of which should bolster funding from other sources.*
- Nature and extent of security/guarantees - *N/A*
- Credit history - *N/A*
- Increases or decreases in the tax base
 - * The grant will be used to purchase items of equipment that will be owned by a non-profit and will remain off the tax rolls.*
- Other city or state incentives (i.e., tax abatements)
 - (I'm not sure what other incentives Lotus has received.)*
- Nature and extent of equity participation - *N/A*
- Approval of owner of property - *N/A*
- Compatibility with historic character of the downtown
 - * This equipment will be used for festivals and will not be a permanent presence in the downtown.*

Res 03-21 and Res 03-22 - Approving the First Tax Abatements for Two Projects in the Recently Established ERA and EDTA along the West Kirkwood Corridor

Res 03-21 and Res 03-22 bring forward the first requests for tax abatements along the stretch of West Kirkwood that we addressed early last year. At that time the Council approved a package of legislation for the eight blocks of West Kirkwood running from Rogers Street to Adams Street.

The legislation approved a land use plan and some unique economic development incentives to implement it. The land use legislation (Res 02-04) approved an amendment to the Growth Policies Plan known as The Plan for West Kirkwood. This plan proposed detailed restrictions on the design of buildings and reduced parking requirements to moderate the effect of the more intense development it recommended for this largely residential area. To read The Plan please visit:

<http://www.city.bloomington.in.us/planning/lr/kirkwood/index.html>

The economic development legislation was innovative in many ways. First, it tied the receipt of tax abatements to development that conforms to the land use plan. In that regard, the legislation set up a procedure where applications for tax abatement would come to the Council only after all the variances had been approved and the Director of Economic Development and Planning Director had determined that the development complied with the plan. Second, the legislation predesignated the entire corridor as both an Economic Revitalization Area (ERA - see Res 02-05 and Res 02-06) and an Economic Development Target Area (EDTA - see Ord 02-03). The ERA is required for all tax abatements and is based upon your conclusion that the underlying real estate is not susceptible to normal growth and development. The EDTA is an additional designation that allows property owners to receive tax abatement for retail and residential uses not otherwise available to them. Third, it pre-approved eligible projects for a 10-year tax abatement.

When taken together, these innovations made the consideration of tax abatements along this corridor both quicker and more predictable than tax abatements elsewhere in the City. These innovations shorten Council deliberations by two weeks and narrow your consideration to whether or not to approve the Statement of Benefits. One reason for creating an expedited process here and not elsewhere is that the development expected along this corridor will entail smaller, less expensive or involved projects, with correspondingly smaller tax benefits.

Petitioners Brent Weiger and Lori Abrams of B&L Rentals, LLC, are seeking tax abatements for two properties within the ERA and EDTA along the West Kirkwood corridor. There are resolutions for each property that approve the Statement of Benefits and authorize a 10-year period of abatement. Please note that in order to approve the Statement of Benefits, you must find that the benefits being proposed are reasonable, probable, and worthwhile results of the project. Also please note that these approvals require owners to commence the project within 12 months, and develop and use the property in compliance with the West Kirkwood Plan and local code.

Res 03-21 would approve the Statement of Benefits and grant a 10-year tax abatement for the construction of two buildings on the vacant lot located at 612 West Kirkwood. The building along the street will be 2-story, 28 x 28 foot structure with a real estate office on the first floor and a two-bedroom apartment above, and the building in the back will be a 24 x 24 foot detached garage. Tom Micuda has indicated that these buildings and their uses conform to the Plan for West Kirkwood (the lot is in a CL zone).

The proposed benefits include improvements that:

- conform with the Plan for West Kirkwood (see drawings of the building elevations and the note in the application regarding vinyl siding and dimensional shingles);
- add \$125,000 to the assessed valuation of the site (currently \$75,000); and
- retain 1 employee with a payroll of \$65,000 and add 2 employees with an additional payroll of \$40,000.

According to the tax calculations provided by McGrane, the petitioners should pay about \$11,000 and forego about \$10,780 in property taxes over the 10-year abatement.

Res 03-22 deals with the 100 year old Queen Anne style house that was moved from the S.T. Semicon site just before demolition began for that project last winter. It has three apartments (one 1-bedroom and two 2-bedroom units, which will all be offered at market rates) and required a density variance to fit on the lot located at 718, 720, and 722 West Kirkwood. Tom Micuda has indicated that the house conforms to the West Kirkwood Plan (which included design standards that mimicked this kind of older home) and that the use conforms to the RM 7 zone.

The resolution waives the statutory requirement that the petitioner submit the completed statement of benefits to the Council prior to commencing the redevelopment. As noted above, the petitioners took advantage of an opportunity for saving this old house before it was to be demolished. Please note that the City Clerk has published notice of the public hearing on August 6th that you must conduct before deciding upon this waiver.

The resolution approves the statement of benefits which include:

- redevelopment of a historic structure that conforms to the Plan for West Kirkwood; and
- investing about \$209,000 and increasing the assessed valuation of the property by about \$133,000.

According to the tax calculations provided by McGrane, the petitioner should pay about \$14,635 and forego about \$14,345 in property taxes over the 10-year period of abatement.

Res 03-24 - Amending Economic Development Financing Agreement Approved by Res 01-11 in Order to Start Repayment of TIF Funds

The following memo will provide a brief overview of **Res 03-24** and refers you to the memo and supporting documents provided by Maren McGrane for further information. This resolution approves an amendment to the 2001 agreement between the City, Redevelopment Commission, and the owners of much of the Indiana Enterprise Center (IEC), regarding the demolition of Building One at the corner of Rogers Street and Patterson Drive. All the parties concluded that the demolition of Building One was necessary for the further development of the IEC and the Redevelopment Commission agreed to use as much as \$1.1 million in the Thomson TIF funds to tear it down as long as the TIF would be repaid out of future Community Revitalization Enhancement District (CREED) revenues.

The CREED was established to help redevelop the property that formerly housed 1,200 Thomson employees and derives its revenues from a portion of income and sales taxes generated from within the district. These revenues have been set aside in an Industrial Development Fund (IDF) to aid in the development of the district. The state legislation creating the IDF allows cities not only to enter into agreements with developers who are working with 3rd parties to develop the property, but also use CREED revenues to pay them upon attaining certain agreed upon benchmarks.

The parties entered into one of these agreements, which foresaw the developers (owners of the site) constructing a business park at this location. It set the pouring of footers and foundations as benchmark for releasing funds and assigned the developers' right to CREED revenues to the Redevelopment Commission, in order to repay the TIF.

Unfortunately, the poor economy has kept the developers from constructing the business park as soon as the City and developer expected which, in turn, has delayed the repayment of the TIF. Other projects, however, are moving forward there, which offer some opportunities for creating new benchmarks that will assure an orderly repayment of the TIF.

Res 03-24 adds two of these new benchmarks. Both of these benchmarks anticipate the purchase of land by Best Beers and the remodeling of part of Building Two by PTS and apply to the land owned by Bloomington, LLC and Mackinac LLC (see map behind Addendum). They include the:

- execution of a purchase agreement or lease, or

- construction of footers and a foundation, or the remodeling of an existing building for business development or expansion.

The resolution affirms that the Developers assign their rights to CREED revenues and provides that \$1.1 million of those revenues will be paid to the TIF at a rate of \$100,000 per year. These payments will begin in 2005 and will follow in order of priority those made to PTS.

The resolution also adds Mackinac LLC as a party (which now owns the land Best Beers intends to purchase at 1101 West Allen Street).

New Legislation for Final Action on August 6th

Res 03-15 Confirming Res 03-14 which Designated Building Two at the IEC as an ERA, Approved a Statement of Benefits, and Authorized a 5-Year Tax Abatement

Res 03-15 confirms Res 03-14 which designated Building Two at the Indiana Enterprise Center as an Economic Revitalization Area, approved a Statement of Benefits, and authorized a 5-year tax abatement for the installation of about \$2.6 million in new manufacturing equipment. The Council adopted Res 03-14 on July 9th as part of a package of incentives to encourage PTS to expand its production facilities by renovating part of an existing warehouse in the IEC, installing the new manufacturing equipment, and hiring an additional 296 employees.

Statute requires the Council to adopt **Res 03-15** before the petitioner can receive the tax abatement. And prior to adopting the resolution, statute also requires the Council to hold a legally advertised public hearing in order to hear all comments regarding this legislation. That hearing will take place during the public comment on this item at the August 6th Regular Session. Please see the July 3, 2002 packet for the preliminary resolution, background material, and a more thorough explanation of this proposal.

**NOTICE AND AGENDA
BLOOMINGTON COMMON COUNCIL COMMITTEE OF THE WHOLE
7:30 P.M., WEDNESDAY, JULY 30, 2003
COUNCIL CHAMBERS
SHOWERS CENTER, 401 N. MORTON**

Chair: Dave Rollo

1. Resolution 03-20 To Approve Application and Authorize Grant from the Business Investment Incentive Loan Fund (Lotus Education and Art Foundation, Inc., Petitioner)

Asked to Attend: Maren McGrane, Executive Assistant for Economic Development

2. Resolution 03-21 To Approve a Statement of Benefits – Re: 612 and 614 West Kirkwood (B&L Rentals, LLC, Petitioner)

Asked to Attend: Maren McGrane, Executive Assistant for Economic Development

3. Resolution 03-22 To Approve a Statement of Benefits – Re: 718, 720 and 722 West Kirkwood (B&L Rentals, LLC, Petitioner)

Asked to Attend: Maren McGrane, Executive Assistant for Economic Development

4. Resolution 03-24 Approving an Addendum to the Benchmark Agreement for the Indiana Enterprise Center Initially Approved by Resolution 01-11

Asked to Attend: Maren McGrane, Executive Assistant for Economic Development
Susan Failey, Assistant City Attorney

5. Ordinance 03-18 To Amend Chapter 15.26 of the Bloomington Municipal Code Entitled “Neighborhood Traffic Safety Program” (Amending Schedule J-1 in Order to Identify Traffic Calming Devices to be Installed on West Third Street Between Maple Street and Walker Street)

Asked to Attend: Justin Wykoff, Manager of Engineering Services

6. Ordinance 03-17 To Amend Title 15 of the Bloomington Municipal code Entitled “Vehicles and Traffic” (Affecting Class D Parking Fines, Display of Parking Permits, Appeals, and Other Miscellaneous Regulations)

Asked to Attend: James McNamara, Deputy Mayor
Jack Davis, Manager of Parking Enforcement

City of
Bloomington
Indiana

City Hall
401 N. Morton St.
Post Office Box 100
Bloomington, Indiana 47402



Office of the Common Council
(812) 349-3409
Fax: (812) 349-3570
e-mail: council@city.bloomington.in.us

To: Council Members
From: Council Office
Re: Calendar for the Week of
July 28, 2003 – August 2, 2003
Date: July 25, 2003

Monday, July 28, 2003

5:00 pm Utilities Service Board, Service Center – 1969 S. Henderson St.
7:00 pm Common Council Departmental Budget Hearings, Council Chambers

Tuesday, July 29, 2003

12:00 pm Council of Neighborhood Associations, Kelly
1:30 pm Development Review Committee, McCloskey
5:30 pm Board of Public Works, Council Chambers
6:00 pm Homeless Task Force, Hooker Room
7:00 pm Common Council Departmental Budget Hearings, Council Chambers

Wednesday, July 30, 2003

12:00 pm Council of Neighborhood Associations, Kelly
2:00 pm Hearing Officer, Hooker Room
7:30 pm Common Council Meeting – Committee of the Whole, Council Chambers

Thursday, July 31, 2003

4:00 pm Board of Park Commissioners, Council Chambers
5:30 pm Board of Zoning Appeals, Council Chambers

Friday, August 1, 2003

No meetings are scheduled for today.

Saturday, August 2, 2003

7:00 am Bloomington Community Farmers' Market, Showers Commons

RESOLUTION 03-20

**TO APPROVE APPLICATION AND AUTHORIZE GRANT FROM THE BUSINESS
INVESTMENT INCENTIVE LOAN FUND
(Lotus Education and Art Foundation, Inc., Petitioner)**

- WHEREAS, on March 5, 1986 the Common Council of the City of Bloomington established the Bloomington Industrial Incentive Loan Fund and approved and authorized Guidelines and Procedures for the use of the Industrial Incentive Loan Fund; and
- WHEREAS, on May 19, 1999 the Common Council in Resolution 99-17 amended the guidelines and procedures to the Industrial Incentive Loan Fund, and renamed the program the Business Investment Incentive Fund; and
- WHEREAS, procedures established in Resolution 99-17 amended the program to permit the grant of up to \$25,000 to not-for-profit organizations within the Downtown Development Opportunity Overlay; and
- WHEREAS, procedures established in Resolution 99-17 require that an application be made to the Economic Development Commission of the City of Bloomington, and following approval by the Economic Development Commission, the application shall be forwarded to the Bloomington Common Council for approval by resolution; and
- WHEREAS, the Lotus Education and Arts Foundation, Inc. has filed an application for an Business Investment Incentive Grant, which application was approved by the Economic Development Commission in Resolution 03-03 and forwarded to the Common Council for its approval; and
- WHEREAS, according to the application, Lotus Education and Arts Foundation intends to use the grant to purchase equipment for the Lotus World Music and Arts Festival in order to reduce recurring costs and improve the professional standard of the event;

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. A grant in the amount of twenty-five thousand dollars (\$25,000) from the City of Bloomington's Business Investment Incentive Loan Fund is hereby approved. The Controller of the City of Bloomington is hereby authorized to release funds in the amount specified and subject to the specific terms and conditions approved by the Economic development Commission in Resolution 03-03, together with all terms and conditions contained in Resolution 99-17.

SECTION 2. This resolution shall be in full force and effect from the passage by the Common Council of the City of Bloomington and approval by the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2003.

CHRIS GAAL, President
Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2003.

REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2003.

JOHN FERNANDEZ, Mayor
City of Bloomington

SYNOPSIS

This resolution approves and authorizes a grant from the City of Bloomington’s Business Investment Incentive Loan Fund to Lotus Education and Arts Foundation, Inc. for the purpose of purchasing equipment to be used for the annual Lotus World Music and Arts Festival. The grant is in the amount of twenty-five thousand dollars (\$25,000) and is subject to all specific terms and conditions contained in the City of Bloomington’s Economic Development Commission resolution approving the grant, as well as, the guidelines and procedures contained in Common Council Resolution 99-17.

**RESOLUTION 03-03
OF THE
ECONOMIC DEVELOPMENT COMMISSION
OF THE
CITY OF BLOOMINGTON, INDIANA**

WHEREAS, the City of Bloomington Common Council has established the Bloomington Business Incentive Loan Fund and has approved guidelines and procedures for use of the Fund; and

WHEREAS, procedures for the Fund require that an application be made to the Economic Development Commission (EDC) of the City of Bloomington, and following approval by the EDC, the application shall be forwarded to the Bloomington Common Council for approval by resolution; and

WHEREAS, the guidelines for the Fund allow the award of a matching grant of up to \$25,000 to not-for-profit organizations seeking funds for capital improvements for commercial or retail enterprises within the Downtown Development Opportunity Overlay; and

WHEREAS, the Lotus Education and Arts Foundation, Inc. has filed an application for a grant through the Fund, to be used towards procurement of items for the annual Lotus World Music and Arts Festival;

NOW, THEREFORE, BE IT HEREBY RESOLVED that:

1. The Economic Development Commission does hereby approve the Business Incentive Loan Fund Application for a grant in the amount of \$25,000 to the Lotus Education and Arts Foundation, Inc.
2. Said approval is a commitment preceding the required approval of the City of Bloomington Common Council and the execution of a funding agreement, and is subject to all terms and conditions contained in Common Council Resolution 86-06 creating the Fund and subsequent amendments to the Fund, except as may be specifically waived by approval of the Common Council.

Dick McGarvey
President

Secretary

Approved this ____ day of July, 2003

Memorandum

To: Common Council Members

From: Maren McGrane

Date: July 16, 2003

Re: Resolution 03-20

Resolution 03-20 authorizes a grant from the Business Investment Incentive Fund to the Lotus Education and Arts Foundation, Inc. The Lotus Foundation is requesting \$25,000 from the Business Investment Incentive Fund (BIIF) non-profit grant initiative. The BIIF non-profit grant initiative is a 50/50 matching grant with a total amount not to exceed \$25,000. Eligible non-profits must be within the Downtown Development Opportunity Overlay (DDOO) district and must have a retail or commercial activity as its primary purpose, including but not limited to performance venues, galleries, and retail shops. Lotus meets this criteria as a result of its retail component and performance venue. As of July 11, 2003, the BIIF balance is \$641,638.30.

The Lotus World Music and Arts Festival is in its 10th year. During the weekend of the festival last year, Lotus attracted 6,000 people from approximately 23 states to Bloomington. This contributed approximately \$100,000 to the local economy. In order to keep recurring costs of operating the annual Lotus World Music and Art Festival to a minimum, the Foundation plans to use the grant funds to purchase items they would normally rent or that will enhance the professional standard of the event. With assistance from donors for the \$25,000 in matching funds, Lotus plans to purchase tents (\$1,600), tent flooring (\$17,500), stage backdrops (\$8,500), information kiosks (\$4,500), modular staging (\$16,550), a printer (\$2,000), and digital camera (\$600). Lotus believes items such as stage backdrops, tent flooring, modular staging, and information kiosks will create an environment consistent with the level of musical talent it offers during the festival. The Lotus Foundation plans to use these items for other Lotus events throughout the year and will use local artists and businesses wherever possible.

Lotus has submitted a complete application for this grant, including Business Plan, list of donors who will contribute the \$25,000 match, and budget information. Also included in the application are pictures showing examples of the types of items they plan to purchase. Justification for this grant is based on the fact that the Foundation has been able to keep Lotus Festival in Bloomington for 10 years, bringing world music and culture to the community. In addition, they will be using the grant funds for furthering the development of the Festival, as well as other events such as Lotus Blossoms which include workshops and lectures to public schools throughout Bloomington and Indiana University.

Memorandum

To: EDC Members

From: Maren McGrane

Date: July 14, 2003

Re: BIIF non-profit grant request

Enclosed you will find materials for the EDC meeting on Wednesday, July 16, 2003. Lotus Education and Arts Foundation, Inc. is requesting \$25,000 from the Business Investment Incentive Fund (BIIF) non-profit grant initiative. The BIIF non-profit grant initiative is a 50/50 matching grant not to exceed \$25,000. Eligible non-profits must be within the Downtown Development Opportunity Overlay (DDOO) district and must have a retail or commercial activity as its primary purpose, including but not limited to performance venues, galleries, and retail shops.

In order to keep recurring costs of operating the annual Lotus World Music and Art Festival to a minimum, the Foundation plans to purchase several items they would normally rent or that will enhance the overall marketing and promotion of the event. With assistance from donors for the \$25,000 in matching funds, Lotus plans to purchase the following items:

- Information Kiosks (\$4,500)
- Tent Flooring (\$17,500)
- Tents (\$1,600)
- Stage Backdrops (\$8,500)
- Modular Staging (\$16,550)
- Printer (\$2000)
- Digital Camera (\$600)

The total BIIF balance to date is approximately \$400,000 - this includes the deduction of \$100,000 for the loan to PTS Corporation that was authorized last month. I will have a more accurate BIIF balance for you on Wednesday.

Also included in this packet are the minutes from the June 27, 2003 meeting. Feel free to give me a call if you have any questions (349-3534).



Education & Arts
Foundation, Inc.

P.O. Box 1667
Bloomington, Indiana
47402 USA

(812) 336-6599
fax (812) 336-3959

lotus@bluemarble.net
www.lotusfest.org

Lotus is a 501(c)3
not-for-profit organization

Creating opportunities
to experience
celebrate
and explore
the diversity of the
world's cultures
through music
and the arts

Ms. Maren McGrane
Director of Economic Development
Office of the Mayor
City of Bloomington
401 North Morton Street
Bloomington IN 47402

July 13, 2003

Dear Ms. McGrane,

Please find enclosed the application from the Lotus Education and Arts Foundation to the City of Bloomington Business Investment Incentive Fund's non-profit grant initiative for capital acquisitions supporting the Lotus World Music and Arts Festival.

Since 1994, the Lotus Festival has come to be recognized as one of Indiana's premier cultural offerings and a key occasion for celebrating Bloomington's unique cultural environment. In 2002, 6,000 people from throughout this region and across the country gathered in our downtown to experience the rich mix of sounds, rhythms, and songs from around the world that makes the Lotus Festival one of this area's best loved and most enduring community events. Those 6,000 people went on to contribute an estimated \$100,000 to the local economy.

Over the past decade, the Lotus Festival has grown slowly through design and careful management. The high standard of artists, the quality of their performances, and the diversity of cultures and traditions they represent have been of paramount concern. Lotus' reputation for presenting the best world music artists available has won it a devoted following and helped make Bloomington a prime destination during the Festival season.

As the Lotus Festival celebrates its 10th remarkable year, we are pursuing ways to ensure its continued viability and success. Improving presentation and staging will allow the physical environment of the Festival to begin to reflect the already high standard of our programming – and contribute to our future growth by helping to attract larger and more discerning audiences, more headline world music artists, and more sponsorship.

Acknowledging this, the Foundation's Board and a number of our sponsors and donors have very generously agreed to provide the matching funds required by the City of Bloomington Business Investment Incentive Fund. Their goodwill is a hallmark of the Foundation's relationship with the Bloomington community, and a shared vision of the Lotus Festival bringing the world to Bloomington for years to come.

On behalf of the Board, I thank the City of Bloomington for this opportunity, and look forward to welcoming the City of Bloomington as a patron of the Lotus World Music and Arts Festival.

Yours truly,

Lee Williams
Executive Director
Lotus Education and Arts Foundation

City of Bloomington
Business Investment Incentive Fund Application

A. Name: Lee Williams, Executive Director

B. Applicant: Lotus Education and Arts Foundation, Incorporated

C. Address: 103 North College Avenue
PO Box 1667
Bloomington, Indiana 47402

D. Phone: (812) 336-6599 Fax: (812) 336-3959

E. Email: leaf@bluemarble.net

F. Management: The Lotus Education and Arts Foundation is a 501 (c) 3 non-profit organization whose mission is to create opportunities to experience, celebrate and explore the diversity of the world's cultures through music and the arts.

The Lotus Foundation is governed by a Board of Directors; management and staff include:

Lee Williams, Executive / Artistic Director
LuAnne Holladay, Administrative Director
Deborah Klein, Development Coordinator

G. Equity Ownership: N/A

H. Grant Information

1. Purpose: To help build the business of the Lotus Education and Arts Foundation by reducing recurring costs and improving the professional standard of its key product, the Lotus World Music and Arts Festival.

1. Total Project Cost: \$50,000

2. Business Investment Incentive Fund Request:

3. Source of Matching Funds:

Lotus Education and Arts Foundation	\$ 5,000
Deer Park Property Management	\$10,000
Abodes Property Management	\$ 2,500
Friends of Lotus Patrons	\$ 7,500

I. Personal Financial Information: N/A

J. Business Plan: See Attached

Lotus Education and Arts Foundation
Business Plan Outline

- I. Summary
 - A. Business Description
 - 1. Name
 - 2. Products
 - 3. Location
 - 4. Market and Competition
 - 5. Management Expertise
 - B. Business Goals
 - C. Application of Funds
 - D. 2003 Budget Projections
- II. Market Analysis
 - A. World Music
 - B. Target Market
 - C. Industry Trends
 - D. Competition
- III. Products
 - A. Description
 - B. Legal Considerations
 - C. Comparable Products
- IV. Process
- V. Marketing Strategies
 - A. Positioning
 - B. Marketing
 - C. Promotion
 - D. Pricing
 - E. Distribution
- VI. Management Plan
 - A. Business Form
 - B. Board of Directors
 - C. Foundation Staff
 - D. Organization Chart
 - E. Planned Capital Acquisitions
 - F. Budget
- VII. Financial Data

ATTACHMENT I Staff Resumes
ATTACHMENT II Illustrations

Lotus Education and Arts Foundation Business Plan

I. Summary

A. Business Description

1. Name The Lotus Education and Arts Foundation (the Foundation) is a 501(c)3 non-profit organization whose mission is to create opportunities to experience, celebrate and explore the diversity of the world's cultures through music and the arts.

2. Products In fulfilling its mission, the Foundation mounts the annual *Lotus World Music and Arts Festival* and the school-based *Lotus Blossoms* educational program. The Foundation also annually produces (independently and in partnership with local organizations) between 4 - 6 concerts and other special events featuring touring American, international, and area musicians.

3. Location The Foundation offices are located on the 2nd floor of 103 North College Avenue, Bloomington, Indiana, on the west side of the Courthouse Square. The facility is leased from Abodes Property Management, Inc.; it includes retail businesses on the ground floor, with offices on the second floor.

Lotus Festival events are primarily staged in and immediately adjacent to downtown Bloomington. In addition to tent stages on the Courthouse Square and Kirkwood Avenue, Festival venues include the Monroe County Convention Center, the Buskirk-Chumley Theater, the John Waldron Arts Center, and downtown area churches.

In 2003, the *Lotus Blossoms* educational program was hosted by 10 elementary schools in Monroe, Greene, and Lawrence Counties. The culminating *Lotus Blossoms Children's Bazaar* and *Lotus Blossoms Family Day* are mounted at Binford Elementary School.

4. Market & Competition Although the Bloomington area is particularly noted for its fine musical performances, the Foundation is unique in presenting a distinctive program of time-honored and contemporary music drawn from a rich mix of cultural traditions from both the U.S. and overseas.

The Foundation designs and presents quality programming for all ages, ethnicities, and economic backgrounds through a balance of free and ticketed events.

5. Management Expertise The Foundation is governed by a Board of Directors that guides long-range strategic planning, actively participates in development, and fosters collaboration with community and Indiana University partners.

A full-time Executive / Artistic Director oversees all operations and is responsible for designing the Foundation's programming. The incumbent was a founding member of the *Lotus Festival* and the Foundation, and has over 20 years' experience as a Bloomington-based booking agent and arts presenter.

A full-time Administrative Director oversees all organizational administration, communications, and creative services. The incumbent has over 10 years' experience in non-profit communications and administration, working with a wide range of Bloomington cultural organizations.

A half-time Development Coordinator is responsible for devising and implementing the Foundation's development strategies. The incumbent has over 20 years' experience as an arts program designer, manager, and administrator in the U.S. and overseas.

The management expertise of Foundation staff has been recognized by the City of Bloomington, which contracted the Lotus Education and Arts Foundation to oversee the establishment and implementation of the Buskirk-Chumley Theater Management, Inc.

B. Business Goals

The primary business goal of the Lotus Arts and Education Foundation is to annually present a commercially successful program of performances by some of the world's most culturally diverse and skilled musicians – the *Lotus World Music and Arts Festival* and the occasional *Lotus Concert Series*.

The Foundation's Strategic Plan identifies increasing venue options downtown, improving the quality of its existing tent staging, and improving the professionalism of Festival management and presentation as key to ensuring the growth and commercial viability of these activities.

The secondary business goal of the Foundation is to annually mount an educational program successfully introducing young people from underserved communities to diverse world cultures through quality performances and interaction with skilled artists.

C. Application of Funds

The Lotus Education and Arts Foundation plans to use monies granted through the City of Bloomington Business Investment Incentive Fund to help build its business by reducing recurring costs and improving the professional standard of its key product: the *Lotus World Music and Arts Festival*.

The Foundation is financially solvent, though highly dependent on donated goods and services in order to fulfill its mission. While much has been achieved through this system, the Foundation's limited financial resources adversely affect its ability to present the *Lotus Festival* in the most professional manner possible. This in turn effects its ability to attract many recognized world-class performers, build audiences through effective marketing, communicate with its existing constituents, and develop resources supporting its educational activities.

**D. Lotus Education and Arts Foundation
Projected 2003 Budget**

07/14/03

L.E.A.F., Inc. - Lee
Budget Report
January through December 2003

	<u>Jan - Dec '03</u>
Ordinary Income/Expense	
Income	
3000 — Income from Events, Programming	139,856.00
3100 — Income from Sale of Merchandise	27,500.00
3200 — Contrib, Gift, Grant Income	104,700.00
3300 — Contributions - Restricted	4,100.00
3400 — Other Fundraising Income	9,460.00
3600 — Investment Income	201.00
3700 — Other Income	<u>15,000.00</u>
Total Income	300,817.00
Cost of Goods Sold	
3910 — CDs Purchased For Resale	17,500.00
3920 — T-shirts Purchased For Resale	<u>3,650.00</u>
Total COGS	<u>21,150.00</u>
Gross Profit	279,667.00
Expense	
4000 — Performing Arts Expenses	167,415.00
5000 — Development Expenses	6,580.00
7000 — Marketing Expenses	7,450.00
8000 — General & Administr. Expenses	<u>98,048.00</u>
Total Expense	<u>279,493.00</u>
Net Ordinary Income	<u>174.00</u>
Net Income	<u>174.00</u>

II. Market Analysis

A. World Music

Public interest in "world music" has grown unabated since the marketing term was coined in the early 1980's to describe the body of musical traditions that sit uncomfortably with standard commercial music genre – jazz, rock, blues, etc. The term encompasses both traditional and contemporary interpretations of musical styles that are cultural expressions of a particular people and place. The modern world music industry evolved from the early ethno musicological recordings of the Smithsonian Institute and John Lomax, and has long outgrown its image as being merely an adjunct to academic folklore studies.

As relationships between countries and cultures have become increasingly complex, world music has become a way of communicating across the barriers of language, politics, and values. It offers people a way to better appreciate different cultures, and represents an expression of shared human experiences that bind rather than divide us.

Since the collaboration between Paul Simon and Ladysmith Black Mombazo on the groundbreaking *Graceland* album, and advent of Peter Gabriel's Womad Festival and *Real World* recording label, world music has slowly moved into the American mainstream. The sounds and rhythms of world music are now a staple of broadcasters from National Public Radio to MTV.

B. Target Market

The 2002 *Lotus World Music and Arts Festival* attracted approximately 6,000 people to downtown Bloomington over five days.

The primary market for the Lotus Festival is middle-to upper-middle-class adults with pre-existing appreciation of different cultures. They are usually well educated, well traveled, and come from a higher socio-economic sector of the community. These people tend to be sophisticated, expecting high standards in the businesses and services they patronize. This market consists of traditionalists as well as those attracted by the prospect of discovering exciting new artists and art forms.

Young people and elders are secondary targets for the Festival, attracted with ticket discounts. Bloomington's growing ethnic communities hold great potential for Festival development, as do the students of Indiana University. Strategies to attract these groups include promoting Festival artists through the relevant student cultural associations, partnering in special events with community cultural groups, and offering special student discounts in association with the IU Union Board.

Children and their families are the primary target market for *Lotus Blossoms*, which in 2003 brought school performances to 3,000 students in Monroe, Greene, and Lawrence Counties. Those students in turn introduced family members to a range of world cultures through their participation in the *Lotus Blossoms Family Day* – a free public event.

Another, less obvious, target market for the *Lotus Festival* and *Lotus Blossoms* is the artists who perform there. The Festival annually presents 25 – 30 individual artists and groups from the U.S. and overseas; *Blossoms* from 3 – 5. These artists' goodwill and willingness to travel to Bloomington for minimal cost make Lotus activities possible. The expertise of and international contacts maintained by the Foundation's Executive Director are important factors in this relationship. Providing visiting artists with the most professional support and presentation possible ensures their continuing to be the very best ambassadors for Lotus within the creative community.

C. Industry Trends

Presenters continue to feel the fallout from September 11. Artists from many countries are prohibited from traveling to the United States or have elected to forego the American market during these uncertain political times. Visas have become increasingly difficult and increasingly expensive to obtain.

The downturn in the U.S. economy has resulted in significant reduction in arts funding and sponsorship; as a result, the competition for support has intensified and some partnerships that traditionally provided a sustaining artist conduit for the Foundation have become increasingly tenuous.

D. Competition

The primary "product" of the Lotus Education and Arts Foundation is the presentation of world music performances. As such, it fills a unique niche within south-central Indiana's vital music market.

Competing festival events mounted in the region include the Bloomington Early Music Festival, the Bloomington Summer Music Festival, the Bean Blossom Bluegrass and Blues Festivals, Kornfest, and the Kneadmore Reggae Fest. Bloomington itself has a very lively independent music scene; Indiana University regularly presents musical offerings ranging from classical to opera to jazz; the neighboring town of Nashville has a well-established country music venue.

The Indianapolis Jazz Festival is arguably the Lotus Festival's most direct competition. Still being considered as an adjunct to the Indy Formula One Race at the end of September and presenting blues, jazz, world music, rock 'n' roll, and traditional music, the Indy Festival has the potential to overwhelm *Lotus Festival* PR in Indianapolis, attract artists away from the Lotus Festival, monopolize available accommodation throughout the region, and attract visitors who would otherwise travel to Bloomington for the Festival.

III. Products

A. Description

As previously noted, the primary "product" of the Lotus Education and Arts Foundation is the presentation of world music performances. The Foundation mounts the annual *Lotus World Music and Arts Festival* and the school-based *Lotus Blossoms* educational program. The Foundation also annually produces (independently and in partnership with local organizations) between 4 - 6 concerts and other special events featuring touring American and international artists, as well as area musicians.

The *Lotus World Music and Arts Festival* is held annually over 5 days (Wednesday – Sunday) in late September, with performances staged in venues in and immediately adjacent to downtown Bloomington. 2003 marks the 10th Lotus Festival. Each year, the Festival features between 25 – 30 artists and groups from the U.S. and overseas, and attracts 6,000 people from throughout the region and across the country. The Lotus Festival is noted for the diversity and quality of its programming, the intimacy of its venues, the sense of community generated through the event, and the enthusiasm of its audiences for artists' performances.

The *Lotus Blossoms* Educational Program has been mounted annually since 2001, usually in early spring. It has grown since its inception to include over 10 elementary schools in Monroe, Greene, and Lawrence Counties, involving 3,000 students. *Lotus Blossoms* brings live musical performances to the participating schools, augmented by educational materials developed on the cultural traditions showcased each year. *Lotus Blossoms* culminates over two days - initially with the *Children's Bazaar*, involving 4th Grade students from participating schools, and then the *Lotus Blossoms Family Day*, a free public event that opens the

Bazaar to children and their families. These initiatives provide opportunities for visitors to interact with the performing artists, participate in skills workshops, and directly experience the food, visual arts, and traditions of different cultures.

In addition to the *Lotus Festival* and *Lotus Blossoms*, the Foundation annually produces 4 – 6 concerts and special events, either independently or in partnership with other community organizations. These events are offered free of charge or at minimal (\$5 - \$10) cost.

The excellence of Lotus activities and their impact on our community have been recognized through a number of honors:

- **1995** Downtown Revitalization Award presented by the Downtown Bloomington Commission
- **2000** Bloomington Mayor John Fernandez invites the Foundation to participate in the Buskirk-Chumley Theater Management Project
- **2001** Governor's Arts Award presented by Governor Frank O'Bannon
- **2002** Community Enhancement Award presented by the Bloomington Chamber of Commerce
- **2003** Herald-Times / Bloomington Volunteer Network *Heart and Hands* Award for volunteer engagement.

B. Legal Considerations

The Foundation contracts visiting performers for a specific number of performances of defined duration, utilizing a standard performing artist agreement. In addition to their performance fee, artists are provided accommodation, meals, and local transport; they are also invited to sell their recordings while at the Festival.

The Foundation ordinarily only books artists who are already scheduled to be in the United States, consequently, it is rarely directly involved in negotiating visas or international travel arrangements.

C. Comparable Products

An previously noted, the Indianapolis Jazz Festival is the closest and most direct competitor with the Lotus Festival for both performers and audiences. It is only marginally a similar event, however, with world music only one element of a larger program.

The only event within our region directly comparable to the *Lotus World Music and Arts Festival* is the Chicago World Music Festival. Mounted by the Chicago Department of Cultural Affairs over the past 4 years, the Chicago World Music Festival has been scheduled over 2 weekends and the intervening week. The proximity and timing of the Chicago event has made it an important partner with the Foundation in attracting artists who would then extend their performance tour to include appearance at the *Lotus Festival*. Recent reduction in its funding, however, has significantly effected the scope of the Chicago Festival and the ability of many artists to appear at both events.

IV. Process

Designing programming, sourcing artists and negotiating performance terms is the responsibility of the Foundation's Executive Director.

The Executive Director has over 20 years' experience as a Bloomington-based booking agent and arts presenter, and maintains strong professional networks across the U.S. and internationally. The Executive Director continuously researches emerging artists and the touring timetables of both established and emerging artists.

Volunteers are an integral and essential part of the Foundation's infrastructure, and are critical to successful production of the *Lotus Festival*. Assisting Foundation staff and

specialist workers contracted specifically for the Festival, volunteers lend their expertise to everything from handling telephone enquiries to staffing the Festival venues.

V. Marketing Strategies

A. Positioning

The Lotus World Music and Arts Festival is positioned as a unique and exciting 5-day event offering visitors opportunities to experience a diversity of musical performances drawn from a wide range of world cultures.

B. Marketing

Both the Lotus Education and Arts Foundation and the Festival have strong and widely recognized corporate identities; the Festival logo has recently been modified for 2003 to reflect the event's tenth anniversary.

The Foundation produces a seasonal newsletter promoting its broad activities, which is distributed to some 3,000 people. The Lotus website (www.lotusfest.org) provides ongoing information about Lotus activities. Approximately 30,000 *Lotus Festival* Official Program Guides are distributed as an insert in the Herald-Times newspaper and at the Festival. A further 15,000 Festival pocket schedules are distributed, as are approximately 1,000 Festival posters. The Foundation also produces an annual Lotus Festival sampler CD for distribution to media outlets.

C. Promotion

Lotus promotion focuses on building local audiences and solidifying the perception of the Festival and *Lotus Blossoms* as signature Bloomington events.

The Foundation's PR efforts emphasize individual artists' stories, the quality of the performances, and audience response to the talents discovered during the Festival and through *Lotus Blossoms*. Distributed media releases result in extensive editorial coverage by the Herald-Times newspaper, augmented by features on local radio (WFHB, WFIU). Regional media (Louisville, Lafayette, Ft. Wayne) also provides some coverage, as does the Indianapolis Star newspaper.

As a consequence of its loyal fan base and the high volume of media coverage accorded Lotus events, the Foundation has not found it necessary to maintain a significant advertising budget.

D. Pricing

Lotus Blossoms is provided to schools at a subsidized rate of \$300; student involvement is free. The *Children's Bazaar* and *Family Day* are also free, with sponsorship and donor funding sought to defray costs.

Lotus Festival ticket pricing is on a sliding scale:

- \$40 for the weekend (Friday & Saturday)
- \$25 for a single night (Friday / Saturday)
- \$20 discount for students and seniors
- \$10 for the Festival opening night (Thursday)

Each Festival evening offers an average of 20 performances. A half-hour break between music sets enables visitors to move between venues - celebrating a sense of community, patronizing the food and drink concession provided by local businesses, and exploring downtown Bloomington.

A free *Children's Concert* is scheduled for Saturday afternoon in the main performance tent on Kirkwood Avenue; Sunday similarly offers the free *World Spirit Community Concert*.

E. Distribution

Festival tickets are available for sale through the Lotus Foundation offices, the Buskirk-Chumley Sunrise Box Office, and Bloomingfoods. From 2003, student discount tickets are also available through Indiana University's Memorial Union. The Foundation plans to begin using its website as a ticketing outlet in 2004.

VI. Management Plan

A. Business Form

The Lotus Education and Arts Foundation (Lotus Foundation) is a 501(c) 3 non-profit organization whose mission is to create opportunities to experience, celebrate and explore the diversity of the world's cultures through music and the arts.

B. Board of Directors

The Lotus Foundation Board of Directors guides long-range strategic planning, actively participates in development, and fosters collaboration with community and Indiana University partners. Current Lotus Foundation Board members and their affiliations are as follows:

Shawn Reynolds – Board Chair
Director
IU International Resource Center

Jane Clay - Vice Chair
Outreach Consultant
Evergreen Institute

Gregory Volan - Secretary-Treasurer
Chief Information Officer
City of Bloomington

Robert Brookshire
Teacher, retired

Kate Burgun
Marketing Manager
Herald-Times Newspaper

Dr. James Calli
Cardiologist
Cancer Care Center of Southern Indiana

Sandra Clark
Director
Sandra Clark Consulting & Counseling Services

Mary Goetze
Director
IU School of Music International Vocal Ensemble

Mark Lauchli
General Manager
Abodes Property Management

Nancy Lethem
Development Director
Kinsey Institute for the Study of
Sexuality, Gender, & Reproduction

Tamara Loewenthal
Dancer and choreographer

Rebecca Loftin
Marketing Consultant

David Shaw
Director
Shaw Communications

Cathy Spiaggia
Educator and Consultant

Diane Ward
Development Director
IU School of Informatics

Mike Wilkerson
Communications Coordinator
IU Office for the Vice President for
Student Diversity & Development
Director
Indiana Retention Research Project

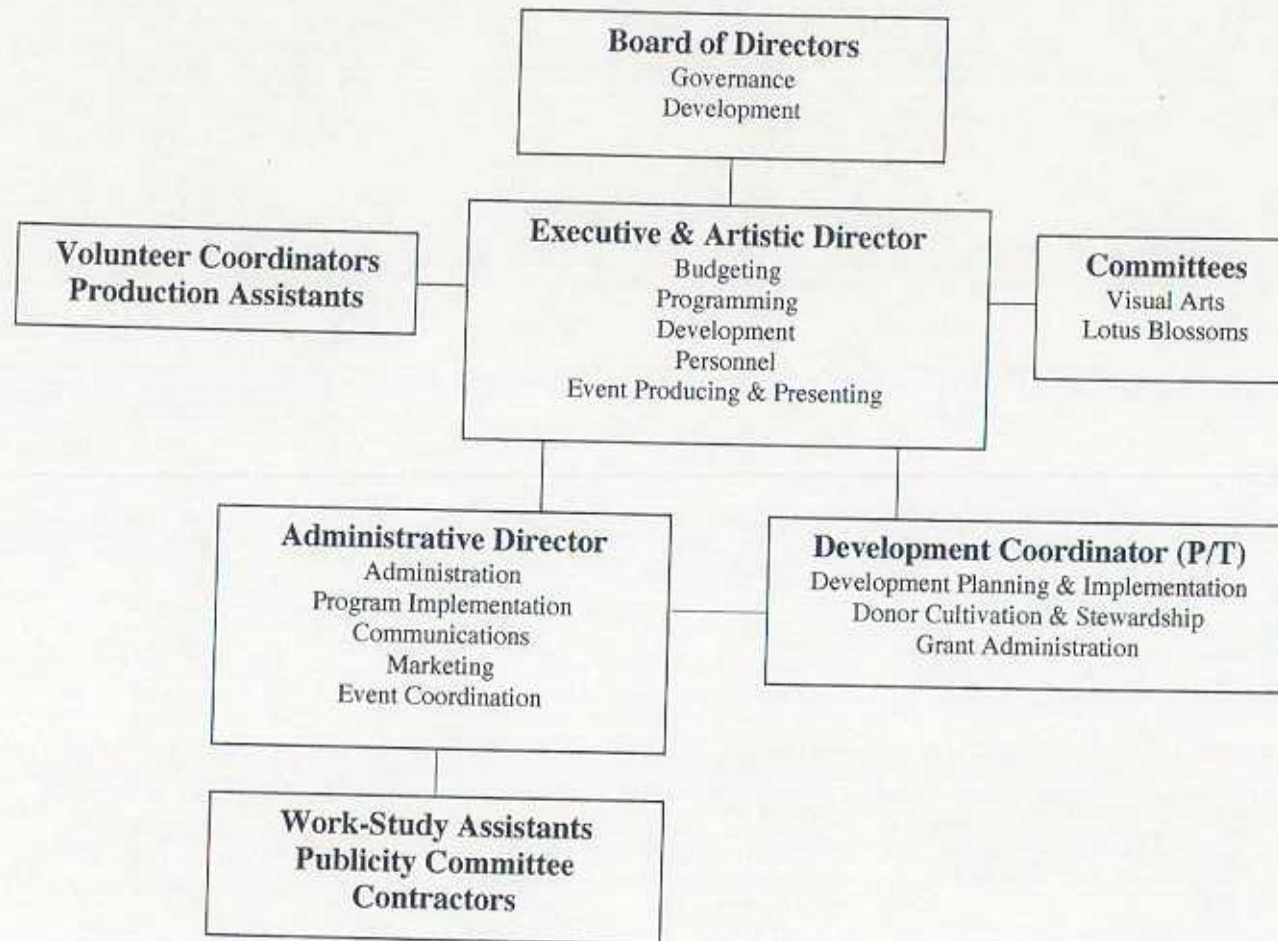
C. Foundation Staff

Foundation staff consist of a full-time Executive / Artistic Director, a full-time Administrative Director, and a half-time Development Coordinator. Resumes of these key personnel are provided as **ATTACHMENT I**.

Volunteers are an integral and essential part of the Foundation's infrastructure. Two Volunteer Coordinators oversee the efforts of over 400 people who donate their time and expertise to Lotus events. Volunteers help plan and implement the *Lotus Blossoms* program, assist with ongoing organization administration, and are critical in production of the *Lotus Festival*. Volunteers also serve on committees supporting the Foundation. The very high level of volunteer engagement within the Foundation was recognized in 2003 through a Herald-Times / Bloomington Volunteer Network *Heart and Hands* Award.

In addition to volunteer labor, the Foundation currently has 2 work-study assistants providing part-time administrative support. Specialist workers are also contracted for key elements of the *Lotus Festival*: stage managers, sound and lighting engineers, backline coordinator, etc.

D. Lotus Foundation Organization Chart



E. Planned Capital Acquisitions

The monies granted through the City of Bloomington Business Investment Incentive Fund will build the business of the Lotus Education and Arts Foundation by reducing recurring costs and improving the professional standard of the Foundation's key product: the *Lotus World Music and Arts Festival*.

Improving the presentation and staging of the *Lotus Festival* will allow the physical environment of the Festival to begin to reflect the already high standard of the performances. It will contribute to the perception of the *Lotus Festival* being more than just one of Indiana's premier cultural offerings, but rather as a world-class event in its own right.

Creating an environment consistent with the richness and vitality of its musical offerings will help the Festival increase the number of discerning people it already attracts from throughout the region and across the country. The promise of larger audiences and the highest standard of presentation will in turn make the Lotus Festival increasingly alluring to headline world music artists. Taken together, these factors will help make supporting the Foundation and its activities a more attractive proposition for potential sponsors, donors, and granting bodies.

Through the City of Bloomington Business Investment Incentive Fund, the Foundation proposes the following capital acquisitions:

Item	Notes	Cost
Informational Kiosks *	Colorful, high-impact, demountable steel structures 12 @ \$375 *Illustration provided as ATTACHMENT II	\$ 4,500
Tent Flooring *	Durable, flexible, hard rubber snap-lock tiles 6,500 sq.ft. @ \$2.50 sq. ft. *Illustration provided as ATTACHMENT II	\$17,500
Tents	10' x 10' easily demountable nylon vinyl structures 8 @ \$200	\$ 1,600
Stage Backdrops *	8 7' x 10' colorful, high-impact graphic scrims that attach to existing structures in tents and indoor venues *Illustration provided as ATTACHMENT II	\$ 8,500
Modular Staging	Purpose-built modular wooden units for on-street staging	\$16,550
Printer	Laser color, networkable	\$ 2,000
Digital Camera	3 mg, battery and case	\$ 600
TOTAL		\$50,000

CITY OF
BLOOMINGTON
BUSINESS
INVESTMENT
INCENTIVE FUND
Capital
Acquisitions

Items	Notes	Cost
Informational Kiosks	12 units @ \$375	\$4,500.00
Tent Flooring	6500 sq.ft. @ \$2.50 sq. ft.	\$16,250.00
Tents	8 units @ \$200	\$1,600.00
Stage Backdrops	8 units	\$8,500.00
Modular Staging		\$16,550.00
Printer		\$2,000.00
Digital Camera		\$600.00
TOTAL		\$50,000.00
Matching Funds		Amount
Deer Park Management		\$10,000.00
Abodes Property Mngt.		\$2,500.00
Friends of Lotus Patrons		\$7,500.00
Lotus Foundation		\$5,000.00
TOTAL		\$25,000.00

07/14/03

L.E.A.F., Inc. - Lee
Profit and Loss
 January through December 2002

	<u>Jan - Dec '02</u>
Ordinary Income/Expense	
Income	
3000 — Income from Events, Programming	127,546.62
3100 — Income from Sale of Merchandise	22,580.34
3200 — Contrib, Gift, Grant Income	116,363.75
3300 — Contributions - Restricted	4,735.00
3400 — Other Fundraising Income	9,457.39
3600 — Investment Income	306.94
3700 — Other Income	15,000.00
Total Income	295,990.04
Cost of Goods Sold	
3910 — CDs Purchased For Resale	12,659.60
3920 — T-shirts Purchased For Resale	3,650.00
Total COGS	16,309.60
Gross Profit	279,680.44
Expense	
4000 — Performing Arts Expenses	153,429.03
5000 — Development Expenses	7,602.41
7000 — Marketing Expenses	7,477.15
8000 — General & Administr. Expenses	83,063.58
Total Expense	251,572.17
Net Ordinary Income	28,108.27
Other Income/Expense	
Other Expense	
9100 — Depreciation Expense	500.00
Total Other Expense	500.00
Net Other Income	(500.00)
Net Income	27,608.27

07/14/03

L.E.A.F., Inc. - Lee
Profit and Loss
 January through December 2001

	<u>Jan - Dec '01</u>
Ordinary Income/Expense	
Income	
3000 — Income from Events, Programming	109,199.39
3100 — Income from Sale of Merchandise	26,483.60
3200 — Contrib, Gift, Grant Income	104,389.93
3300 — Contributions - Restricted	1,860.00
3400 — Other Fundraising Income	9,669.99
3600 — Investment Income	<u>1,231.70</u>
Total Income	252,834.61
Cost of Goods Sold	
3910 — CDs Purchased For Resale	18,017.39
3920 — T-shirts Purchased For Resale	<u>2,815.00</u>
Total COGS	<u>20,832.39</u>
Gross Profit	232,002.22
Expense	
4000 — Performing Arts Expenses	135,120.58
5000 — Development Expenses	6,895.95
7000 — Marketing Expenses	5,630.29
8000 — General & Administr. Expenses	<u>81,602.07</u>
Total Expense	<u>229,248.89</u>
Net Ordinary Income	2,753.33
Other Income/Expense	
Other Expense	
9100 — Depreciation Expense	<u>500.00</u>
Total Other Expense	<u>500.00</u>
Net Other Income	<u>(500.00)</u>
Net Income	<u><u>2,253.33</u></u>

07/14/03

L.E.A.F., Inc. - Lee
Profit and Loss
 January through December 2000

	<u>Jan - Dec '00</u>
Ordinary Income/Expense	
Income	
3000 — Income from Events, Programming	88,599.85
3100 — Income from Sale of Merchandise	7,491.40
3200 — Contrib, Gift, Grant Income	76,201.00
3300 — Contributions - Restricted	9,333.00
3400 — Other Fundraising Income	7,184.02
3600 — Investment Income	<u>737.72</u>
Total Income	189,546.99
Cost of Goods Sold	
3910 — CDs Purchased For Resale	920.75
3920 — T-shirts Purchased For Resale	<u>3,005.00</u>
Total COGS	<u>3,925.75</u>
Gross Profit	185,621.24
Expense	
4000 — Performing Arts Expenses	103,020.10
5000 — Development Expenses	13,296.10
6000 — Savings Transfers	36.00
7000 — Marketing Expenses	4,790.96
8000 — General & Administr. Expenses	<u>59,059.65</u>
Total Expense	<u>180,202.81</u>
Net Ordinary Income	5,418.43
Other Income/Expense	
Other Expense	
9100 — Depreciation Expense	<u>500.00</u>
Total Other Expense	<u>500.00</u>
Net Other Income	<u>(500.00)</u>
Net Income	<u>4,918.43</u>

Lee Williams
317 S. Rogers • Bloomington, IN 47403
(812) 339-3076

EDUCATION

B.A. in History, 1980, Indiana University Bloomington
Overseas Exchange Program: University of Kent, Canterbury, England, 1979

WORK EXPERIENCE

**Lotus Education and Arts Foundation. 1995-present.
Executive/Artistic Director**

Oversees all aspects of a nonprofits arts organization with two major annual events: Budgeting, administration, accounting, development; researching and booking of international artists.

Buskirk-Chumley Theater, 1999 - 2000. Booking Director

Researched and booked performing artists for 600-seat community theater

Second Story Nightclub: 1994-2000. Booking agent

Book live music; handle advertising for shows

Jake's Nightclub: 1983-1993. Booking agent, promoter, manager

Promotion and booking of live music; selection of acts, budgeting, coordination of advertising and promotion, production, and stage management.

Jake's Music Agency: 1985-1990. Director

Booking agent for local bands. Arranged dates for clubs, college, and fraternal organization throughout the Midwest.

Second Story Nightclub: 1981-1982. Founder, booking agent, promoter

Initiated the concept of the club as a live, original music venue. Developed financial plan and managed the club. All aspects of concert promotion.

VOLUNTEER WORK

WFHB Community Radio: 1992-present. Programmer

"Live from Bloomington" album project: 1984-2000. Committee member

Hoosierfest: 1988-1992. Entertainment chairperson

John Waldron Arts Center Project: 1990-1991. Committee Member

LuAnne Clark Holladay
2990 Sare Road Bloomington, Indiana 47401
333-5506 / luanne@bluemarble.net

Education

B.A., Converse College (1981)
M.A. (English), University of Georgia (1985)
A.B.D., Pass with Distinction (Victorian Studies), Indiana University (1989)
Graduate Fellowship, University of Georgia, 1981; Phi Beta Kappa, 1984; Victorian Studies Fellowship, Indiana University, 1989

Professional Experience

Teaching Assistant, Department of English, University of Georgia
1982-1984

Associate Instructor, Department of English, Indiana University
1984-1987

Editorial Assistant, *Victorian Studies*, Indiana University
1987-1988

Managing Editor, *Victorian Studies*, Indiana University
1988-1989

Editorial Assistant, Indiana University Press
1989-1991

Assistant Acquisitions Editor, Indiana University Press
1991-1995

Marketing Assistant, Bloomington Area Arts Council
1997-1999

Assistant Director, Lotus Education and Arts Foundation
1997-2000

Administrative Director, Lotus Education and Arts Foundation
2000-present

Freelance writer and editor
1990-present

Yoga instructor, Monroe County YMCA
1990-present

Resumé

Personal Particulars

Name: Deborah Klein
Address: 2000 East Marilyn Drive Bloomington Indiana 47401
Telephone: (812) 331-2502 Evenings **Email:** jusandre@mac.com

Education

1989 **Post-Graduate Diploma in Exhibition Design**
Royal Melbourne Institute of Technology / Victoria University
Melbourne, Australia

1987 **Bachelor of Arts in Visual Communication**
Royal Melbourne Institute of Technology / Victoria University

1977 **Diploma of Fine Art – Art History**
Peralta Community College - Oakland, California

Professional Experience

2003 – Present **Development Coordinator**
Lotus Education and Arts Foundation - Bloomington, Indiana

2001 – 2003 **Project Director**
Artists & Communities: America Creates for the Millennium
Mid Atlantic Arts Foundation – Baltimore, Maryland

1998 – 2001 **National Coordinator**
Artists & Communities: America Creates for the Millennium
Mid Atlantic Arts Foundation – Baltimore, Maryland

1995 – 1998 **General Manager**
Metro Craft Center – Melbourne, Australia

1991 – 1995 **Manager, Arts & Health Sponsorship Program**
1989 – 1991 **Sponsorship Development Officer**
Victorian Health Promotion Foundation – Melbourne

1987 – 1989 **Contract Lecturer – Design / Marketing / Communication**
RMIT – Victoria University
Box Hill College of Tertiary and Further Education
RMIT Technisearch

1982 – 1991 **Director**
Klein Communication Services







City of Bloomington



Business Investment Incentive Fund

OFFICE OF THE MAYOR
CITY OF BLOOMINGTON
P.O. BOX 100
BLOOMINGTON, IN 47402
(812).349.3406 PHONE
(812).349.3455 FAX
EMAIL: HADLEYN@CITY.BLOOMINGTON.IN.US
CONTACT: Nathan Hadley
Executive Assistant for Economic Development

I. PROGRAM DESCRIPTION

- A. Purpose:** The Business Investment Incentive Fund is a revolving loan fund created by the City of Bloomington to provide low interest loans to eligible businesses committed to improving the economic vitality of our community. The City of Bloomington offers this economic development tool to promote the retention, expansion, and attraction of a diverse business base. With certain exceptions, loan proceeds can be used for capital improvement projects and the purchase of eligible equipment.

II. ELIGIBILITY

- A. Geographical Limitations:** Only businesses within or contiguous to the City of Bloomington's corporate boundaries or within an "Area Intended for Annexation" (AIFA) are eligible to seek assistance from the Business Incentive Loan Fund. The area must be properly zoned and have or plan to have access to adequate infrastructure, including water, sewer, roads, and telecommunications. If the business is located within the AIFA or contiguous to the City's corporate boundary and eligible for annexation, then the applicant (and the property owner, if different) must agree to voluntary annexation. If the applicant is ineligible for annexation at the time the loan is approved, then the property owner must sign and record a waiver of remonstrance against future annexation.
- B. Eligible Business Activities and Permissible Use of Funds:** As the fund is intended to support and promote a diverse economic base, the following eligible activities have been targeted as the primary beneficiaries of loan proceeds:
- 1. Business retention, expansion, attraction:** Any qualified business under these guidelines demonstrating a commitment to job growth, quality wages and benefits, and the overall economic vitality of the community is eligible to submit a loan application for permissible projects as identified by the guidelines. Eligible businesses range from basic manufacturing to high-tech service firms.
 - a. Permissible uses of funds:** Loan proceeds shall be applied to qualified capital improvement costs associated with a qualified project including land acquisition; construction, expansion, or renovation of buildings; purchase of equipment; or infrastructure improvements.
 - b. Evaluation criteria:** Certain factors shall be considered when evaluating any eligible loan application under this section. These factors shall include, but are not limited to, the following:

- 1.) Strength of business plan or business proposal.
- 2.) Projected new jobs to be created as a result of the project.
- 3.) Overall projected impact on the economic vitality of the community.
- 4.) Use of funds to leverage other sources of capital including venture, conventional, and grant funds.
- 5.) Nature and extent of security/guarantees.
- 6.) Credit history.
- 7.) Expected tax base increases or decreases as a result of the project.
- 8.) Any proposed tax abatements or other city/state sponsored incentives expected to be received for the proposed project.
- 9.) Nature and extent of equity participation by principal owner(s).
- 10.) Compatibility of façade projects and new construction in the Downtown Development Opportunity Overlay (DDOO) district with the historic character of downtown Bloomington. (Projects involving the demolition or removal of structures listed on the Local Historic register, or eligible for listing on the National Historic Register or that are contributing structures listed within a nationally or locally designated historic district will not be considered.)

- c. **Loan amounts:** Applicants seeking loan funds under this section for qualified projects are eligible to borrow funds where the total project cost is a minimum of \$250,000. The maximum loan amount is \$100,000 or 20% of the total project cost, whichever is less.

2. **Businesses within the Downtown Development Opportunity Overlay district:** Any qualified for-profit or not-for-profit business owner and/or commercial property owner located within the City of Bloomington's *Downtown Development Opportunity Overlay (DDOO)* district demonstrating a commitment to the economic vitality of Bloomington's downtown is eligible to submit a loan application for permissible projects as identified by the guidelines.

- a. **Permissible uses of funds:** Loan proceeds shall be applied to qualified capital improvement costs associated with a qualified project including land acquisition; construction, expansion, or renovation of buildings; purchase of equipment; facade improvements; or infrastructure improvements.
- b. **Evaluation criteria:** Certain factors shall be considered when evaluating any eligible loan application under this section. These factors shall include, but are not limited to the following:

- 1.) Strength of business plan or business proposal.

- 2.) Overall projected impact on the economic vitality of the downtown.
 - 3.) Use of funds to leverage other sources of capital including venture, conventional, and grant funds.
 - 4.) Nature and extent of security/guarantees.
 - 5.) Credit history.
 - 6.) Expected tax base increases or decreases as a result of the project.
 - 7.) Any proposed tax abatements or other city/state sponsored incentives expected to be received for the proposed project.
 - 8.) Nature and extent of equity participation by principal owner(s).
 - 9.) If applicant is not owner of property/building then approval of said owner is required.
 - 10.) Compatibility of façade projects and new construction in the Downtown Development Opportunity Overlay (DDOO) district with the historic character of downtown Bloomington. (Projects involving the demolition or removal of structures listed on the Local Historic register, or eligible for listing on the National Historic Register or that are contributing structures listed within a nationally or locally designated historic district will not be considered.)
- c. **Loan amount:** If the business is making an application under this section as a DDOO eligible business, the maximum loan amount is 50% of total project costs at or under \$100,000 and 20% of any remaining project costs over \$100,000 with total loan not to exceed \$100,000.
- d. **Non-profit grant initiative:** To encourage capital improvements to facilities owned and/or operated by eligible non-profit organizations within the DDOO district, eligible organizations may obtain matching grant funds for qualified projects. Eligible non-profit organizations are those within the DDOO district that have a retail or commercial activity as its primary purpose including, but not limited to, performance venues, galleries, and retail shops. The maximum matching grant is 50% of total qualified project costs with total grant not to exceed \$25,000. An eligible non-profit organization can only receive one grant disbursement every 5 years. Grant funds are in lieu of loan funds. An eligible non-profit cannot receive both a loan and a grant.
3. **Business supported child care facility:** Any qualified business or consortium of businesses can apply for a loan to provide a child care facility for the children of employees of the business or consortium of businesses first and for the general public second. The facility must be at the business site or in near proximity.

- a. **Permissible uses of funds:** Loan proceeds may be applied to qualified capital improvement costs associated with a qualified project including land acquisition; construction, expansion, or renovation of buildings; purchase of child care equipment; or infrastructure improvements.
 - b. **Evaluation criteria:** Certain factors shall be considered when evaluating any eligible loan application under this section. These factors shall include, but are not limited to the following:
 - 1.) Strength of business plan or business proposal.
 - 2.) Projected number of employees to be served by the facility.
 - 3.) Projected number of general public, if any, to be served by the facility.
 - 4.) Use of funds to leverage other sources of capital including conventional financing and grant funds.
 - 5.) Collaboration with or impact on existing child care facilities.
 - 6.) Nature and extent of security/guarantees.
 - 7.) Credit history.
 - 8.) Any proposed city/state sponsored incentives expected to be received for the proposed project.
 - 9.) Nature and extent of equity participation by principal owner(s).
 - 10.) Compatibility of façade projects and new construction in the Downtown Development Opportunity Overlay (DDOO) district with the historic character of downtown Bloomington. (Projects involving the demolition or removal of structures listed on the Local Historic register, or eligible for listing on the National Historic Register or that are contributing structures listed within a nationally or locally designated historic district will not be considered.)
 - c. **Loan amount:** Applicants seeking loan funds under this section for qualified projects are eligible to borrow funds where the total project cost is a minimum of \$250,000. The maximum loan amount is \$100,000 or 20% of the total project cost, whichever is less.
4. **Public purpose induced business relocation:** Any qualified business that is required to relocate from its business location due to acquisition of the property by the City of Bloomington for a project serving a public purpose is eligible to submit a loan application for permissible projects as identified by the guidelines. "Relocate" as used in this subsection means that the business is required to move its primary business operations from the property.
- a. **Permissible uses of funds:** Loan proceeds may be applied to qualified capital improvement costs associated with a qualified project including land acquisition; construction, expansion, or renovation of

buildings; purchase of eligible equipment; or infrastructure improvements.

- b. **Evaluation criteria:** Certain factors shall be considered when evaluating any eligible loan application under this section. These factors shall include, but are not limited to the following. The Common Council may waive one or more of these requirements if it finds that public policy so dictates.

- 1.) Strength of business plan or business proposal.
- 2.) Projected new jobs to be created as a result of the project.
- 3.) Overall projected impact on the economic vitality of the community.
- 4.) Use of funds to leverage other sources of capital including venture, conventional, and grant funds.
- 5.) Nature and extent of security/guarantees.
- 6.) Credit history.
- 7.) Expected tax base increases or decreases as a result of the project.
- 8.) Any proposed tax abatements or other city/state sponsored incentives expected to be received for the proposed project.
- 9.) Nature and extent of equity participation by principal owner(s).
- 10.) Projected public benefit of relocation.
- 11.) Compatibility of façade projects and new construction in the Downtown Development Opportunity Overlay (DDOO) district with the historic character of downtown Bloomington. (Projects involving the demolition or removal of structures listed on the Local Historic register, or eligible for listing on the National Historic Register or that are contributing structures listed within a nationally or locally designated historic district will not be considered.)

- c. **Loan amount:** Applicants seeking loan funds under this section for qualified projects are eligible to borrow funds where the total project cost is a minimum of \$250,000. The maximum loan amount is \$100,000 or 20% of the total project cost, whichever is less. If public policy dictates, the maximum loan amount can be waived.

5. **Business disruption bridge loan:** A qualified business that suffers significant loss of sales and revenues in an area determined to be economically distressed due to disruptions caused by a City of Bloomington public works project is eligible to submit a loan application for short-term operating capital costs. Businesses applying for loans under this section must have been in operation at their affected site for at least 12 months prior to the start of construction of the public works project. The Review Committee established under this section shall make the

determination of the areas that are economically distressed due to City of Bloomington public works projects.

- a. **Permissible uses of funds:** Applicants receiving loans under this section shall use the proceeds in order to meet minimum operational expenses, including but not limited to rent or mortgage, utilities, payroll, or other unavoidable expenses necessary to maintain the business at a minimum operational level.
- b. **Loan Review Committee:** Applications received under this section shall be reviewed by a committee composed of the Mayor's Executive Assistant for Economic Development, the City Controller, the President of the Common Council, the Common Council member whose district includes the affected business, and the President of the Economic Development Commission or their designees. The loan committee shall be chaired by the Mayor's Executive Assistant for Economic Development
- c. **Review process:** The committee shall meet as often as is needed, but shall not meet less often than once per calendar year. Loans approved by the loan review committee established under this chapter do not require additional approvals from the Economic Development Commission or the Common Council. The Mayor's Executive Assistant for Economic Development will coordinate with the city's Legal Department the preparation of all necessary loan documents and a loan closing date.
- d. **Evaluation criteria:** The loan review committee established under this section shall establish criteria for the acceptance, review and approval of loans, which shall at a minimum include, but not be limited to, the following:
 - 1.) Each business must demonstrate financial need for the loan in order to meet minimum operation expenses, including but not limited to rent or mortgage, utilities, payroll, or other unavoidable expenses necessary to maintaining the business at a minimum operational level.
 - 2.) Each business shall provide proof of sales figures for the current time period in which the business has experienced economic distress due to the public works project, along with proof of sales figures for the same time period in the prior calendar year.
 - 3.) Each business shall provide proof of similar expense levels required to generate the same level of sales in the current time period, compared to the sales levels for the same time period in the preceding calendar year.
 - 4.) Each business shall provide a plan that describes how the business will use loan proceeds; forecasted expenses and revenues for the

period beginning with the first day of the month in which the loan is granted through the last day of the month preceding the month in which the loan is granted of the following year; and a proposed repayment schedule which shall provide for total repayment of the loan no later than one (1) year from the date on which the loan closing occurs.

- e. **Loan amounts and terms:** Loans approved under this section shall be made with the following limitations and terms:
- 1.) Subject to the availability of funds, a maximum of \$150,000 in loans may be made under this section.
 - 2.) A loan made under this section shall be limited to \$35,000 for each qualified applicant.
 - 3.) No interest shall be charged or accrue on loans before the date the public works project ceases causing significant disruption to the business. This date shall be determined by the loan review committee, in conjunction with the city department performing the project. Thereafter, interest on each loan shall accrue on a monthly basis at an annual rate of two percent of the unpaid balance of the loan on the last day of each month.
 - 4.) The loan review committee may submit claims for loans from the fund according to the City Controller's standard claim schedule or it may request from the City Controller's office a special warrant for expedited release of moneys from the fund if it determines that the business receiving the loan has demonstrated a reasonable need for the loan proceeds before the date a check would be released pursuant to the standard claim schedule.

III. ADDITIONAL TERMS AND CONDITIONS

- A. **Term:** The maximum term is five years, unless the loan is a business disruption bridge loan made under Section II. B. 5.
- B. **Rate:** Except for business disruption bridge loans made under Section II. B. 5, the interest rate will be the highest interest rate currently available for other city fund investments at time of application. The interest rate assigned is good for a period of ninety days from date of application.
- C. **Payments:** Except for business disruption bridge loans with a different approved payment schedule, principal and interest payments are to be made monthly. All payments are due on the first day of each month. Payments received after the tenth of the month will be assessed a 5% late

fee. Loan payments are to be mailed to:
City of Bloomington
Controller's Office
P.O. Box 100
Bloomington, IN 47402

- D. Non-relocation Clause:** Unless specifically approved by the City Council, the borrower may not relocate the funded business activity or a significant part of the business activity. Failure to comply with this section is grounds for default.
- E. Default:** The loan may be declared in default and become due and payable within 30 days of written notice to the borrower for any of the following reasons:
1. Failure of borrower to disclose any and all facts pertinent to the loan approval or any misrepresentation of information.
 2. Failure of borrower to make timely payments.
 3. Failure of borrower to use loan funds as described in the loan application.
 4. Failure of borrower to maintain mortgaged property, keep it insured and/or pay property taxes on it.
 5. Failure to obtain approval for relocation of business.
 6. Failure to comply with any material terms of the loan documents, including but not limited to, the loan agreement, mortgage, financing statement, and personal guaranty.
 7. Failure to comply with voluntary annexation agreement or waiver of remonstrance agreement.

IV. APPLICATION PROCEDURE

- A.** The following application procedures apply to all loans except the business disruption bridge loan under Section II.B.5. The applicant will contact the Mayor's Executive Assistant for Economic Development for a pre-application meeting. At that meeting, the applicant will receive instruction for submitting a complete application for consideration. Except of those businesses applying under Section 5, upon completion, the applicant will submit the application along with a \$100.00 processing fee to the Executive Assistant for Economic Development for review. If the

application is determined to be complete and eligible, the Executive Assistant for Economic Development will initiate the formal approval process.

- B. If the application is submitted for formal approval, the Executive Assistant for Economic Development shall schedule a meeting of the Economic Development Commission. At this public meeting the applicant will have an opportunity to present his/her proposal. The Economic Development Commission shall review the application based on the guidelines and either approve or deny.
- C. If a loan is approved as is by the Economic Development Commission, it will be forwarded to the City Council in the form of a resolution for the Council's approval or denial.
- D. If a loan is approved by the City Council, the borrower will sign all necessary loan documents for the loan. The borrower is responsible for securing all necessary lien documents, insurance documentation and title insurance policies as necessary. The Executive Assistant for Economic Development will coordinate with the City's legal department the preparation of all necessary loan documents and a loan closing date.

V. SECURITY

- A. Acceptable collateral includes a mortgage against real estate with at least 20% equity remaining after total project financing is secured, a lien against the cash value of life insurance, a lien against a Certificate of Deposit Account, a lien against qualified equipment, and/or any other acceptable and approved form of security.
- B. Loans will be secured to the extent that such security is feasible and does not impair the ability of the borrower to conduct its activities and may be subordinated to other financing, to and including a subordinated position on personal guarantees, as long as the city's loan is adequately secured.

VI. RELEASE OF FUNDS

- A. Once City Council approval is granted the applicant must secure all supplemental loans, securities, and other conditional documentation or action within 90 days. Failure to comply with any terms, conditions, or other requirements within this time period may result in nullification of the approved loan.

- B. All documentation must be on file with the Executive Assistant for Economic Development in the Mayor's Office and approved by the City of Bloomington's Legal Department prior to any release of funds.
- C. Loan funds may be disbursed in full at time of closing or in two disbursements within the first year following approval. Lien documents for the total loan amount will be signed for each disbursement.
- D. Claims for the payment of Business Disruption Loan proceeds do not need approval of the Board of Public Works prior to disbursement.

Business Investment Incentive Fund Application

A. Name:

B. Applicant:

C. Address:

D. Phone:

E. Email:

F. Management:

G. Equity Ownership:

H. Loan Information:

1. *Purpose:*

2. *Total Project Cost:*

3. *Business Investment Incentive Fund Request:*

4. *Source of Repayment (if a loan): (List any collateral, accounts receivable, guarantees, etc.):*

I. **Personal Financial Information:** *(Complete attached Personal Information form for each owner or partner of business).*

J. **Business Plan:** *(Submit a complete business plan with corporate financial statements. See attached outline.)*

Business Plan Contents

- I. Summary**
 - A. Business description
 - 1. Name
 - 2. Location and facility description
 - 3. Product(s)
 - 4. Market and competition
 - 5. Management expertise
 - B. Business goals
 - C. Summary of financial needs and application of funds
 - D. Earnings, projections, and potential return to investors
- II. Market Analysis**
 - A. Description of total market
 - B. Industry trends/Target markets
 - C. Competition
- III. Products or Services**
 - A. Description of product line or service
 - B. Proprietary position: patents, copyrights, and legal/technical considerations
 - C. Comparison or competitors' products or services
- IV. Manufacturing Process (if applicable)**
 - A. Materials
 - B. Source of supply
 - C. Production methods
- V. Marketing Strategy**
 - A. Overall strategy
 - B. Pricing policy/Sales terms
 - C. Method of selling, distributing and servicing products
- VI. Management Plan**
 - A. Form of business organization
 - B. Board of Directors composition
 - C. Officers: Organization chart and responsibilities
 - D. Resumes of key personnel
 - E. Staffing plan/number of employees
 - F. Facilities plan/planned capital improvements
 - G. Operating plan/ schedule of upcoming work for next one to two years
- VII. Financial Data**
 - A. Financial history (three years to present)
 - B. Three year financial projections (first year by months; remaining years quarterly)
 - 1. Profit /loss statement and balance sheet
 - 2. Cash flow chart
 - 3. Capital expenditure estimates
 - C. Explanation of projections

Memorandum

To: Common Council Members

From: Maren McGrane

Date: July 16, 2003

Re: Resolution 03-21 and Resolution 03-22

The Plan for West Kirkwood was created to enhance the West Kirkwood corridor through promoting compatible, traditional-style development that supports mixed uses, small business opportunity, and neighborhood coherence. As a result, Resolution 02-05 pre-designated the West Kirkwood corridor as an Economic Revitalization Area (ERA) in order to streamline the tax abatement process for property owners. Instead of requiring several pieces of legislation to approve a Statement of Benefits, the process for West Kirkwood requires the following: 1) the Planning Director and Director of Economic Development must review the plan, ensuring that it fits within the guidelines; 2) the property owners must receive approval for any necessary zoning variances; and 3) approval by the Common Council. The first two steps of this process have been completed for Resolutions 03-21 and 03-22.

Resolution 03-21 approves the Statement of Benefits for the property located at 718, 720, and 722 W. Kirkwood. B&L Rentals, LLC is requesting a 10 year tax abatement for the rehabilitation of a 100 year old Queen Anne house. This house, formerly located at 9th and College, was threatened by the demolition of the former S.T. Semicon building. As a result, B&L Rentals relocated it to W. Kirkwood and have undertaken a complete rehabilitation of the house.

B&L Rentals plans to convert this house into three rental apartment units. The approximate monthly rents range between \$650 and \$1,050 per month. The value of the improvements to the property total \$133,000. As a result, the value of this abatement is \$14,345 and the total taxes to be paid over 10 years are \$14,635. This property has been through the zoning process and received a minimum lot size variance in January 2003. This project fits within the guidelines of the West Kirkwood Plan by broadening the residential use and fulfilling the infill housing and historic rehabilitation components of the Plan.

Resolution 03-22 approves the Statement of Benefits for the property located at 612 and 614 W. Kirkwood. B&L Rentals is requesting a 10 year tax abatement for the construction of a two-story house that will contain a real estate office on the first floor and a two-bedroom apartment on the second floor. There will also be a detached garage and off-alley parking on the property. In December 2002 this property received one variance for the off-alley parking and one variance for the building set-back.

The real estate office will employ one realtor and two assistants. The salaries for the assistants will be approximately \$21,000. Employee benefits will be available to the employees including possible bonus opportunities. The value of the improvements to this property total \$100,000. The value of the abatement is approximately \$10,786 and the total taxes paid over 10 years are \$11,003. This project fits within the Plan for West Kirkwood because it broadens the commercial use of the

property which fits into the mixed-use development component of the plan as well as supporting small business opportunity and traditional-style development.

The pre-designation of the West Kirkwood corridor as an ERA is one more tool we have to encourage infill and mixed-use development in an area that has become a major traffic artery over the past couple of years. Both projects comply with the goals and requirements of the Plan for West Kirkwood, and given the historic rehabilitation, mixed use development, and support to small business, these projects will enhance the West Kirkwood corridor.

RESOLUTION 03-22
TO APPROVE A STATEMENT OF BENEFITS
Re: 718, 720 and 722 West Kirkwood
(B&L Rentals, LLC, Petitioner)

- WHEREAS, in Resolution 02-04 the Common Council approved an amendment to the City of Bloomington's Comprehensive Plan that adopted a Subarea plan for the West Kirkwood Corridor known as "The Plan for West Kirkwood" (hereinafter the "Plan"); and
- WHEREAS, in Resolution 02-05 the Common Council designated as an Economic Revitalization Area (ERA) the area described therein as the "West Kirkwood Corridor," which includes the property at 718, 720 and 722 W. Kirkwood; and
- WHEREAS, in Ordinance 02-03 the Common Council designated the West Kirkwood Corridor as an Economic Development Target Area (EDTA) pursuant to IC 6-1.1-12-7(a); and
- WHEREAS, Petitioner has filed an application for property tax abatement for the property located at 718, 720 and 722 West Kirkwood (the "Project"); and
- WHEREAS, the Project consists of a Queen Anne house approximately 100 years old that was relocated to the West Kirkwood property from the site of the S.T. Semicon plant on North College Avenue to make way for new construction there, and which will be renovated into three apartments; and
- WHEREAS, Resolution 02-05 set forth the procedures whereby a property owner whose project met the criteria of the Plan could receive tax abatement on the project after approval of a Statement of Benefits by the Common Council, which are that the Economic Development Director and Planning Director must determine that the Project complies with the Plan and all necessary variances to bring the Project into compliance with Plan have been obtained; and
- WHEREAS, the Planning Director and Economic Development Director have determined that the Project complies with the Plan and that all variances necessary to make it comply with the Plan have been obtained; and
- WHEREAS, due to timing of the Semicon demolition, the Project had to be moved to West Kirkwood prior to Common Council approval of the Statement of Benefits for tax abatement, and Petitioner is seeking waiver pursuant to 50 IAC 10-4-1(a)(2) of the requirement that a completed Statement of Benefits be submitted to the Council prior to commencement of work on the Project; and
- WHEREAS, the Council has held a public hearing as required by 50 IAC 10-4-1(c) on the waiver of noncompliance with the requirement that a completed Statement of Benefits be submitted to the Council before work on the Project commences; and
- WHEREAS, Petitioners seeking designation of the their property as an ERA must submit to the Common Council a Statement of Benefits and must, prior to March 1st of each year, provide the Monroe County Auditor and the Common council with information showing the extent to which there has been compliance with the Statement of Benefits; and
- WHEREAS, the Common Council has investigated the area and reviewed the Statement of Benefits and Application, which are attached hereto and made a part hereof, and found the following:
- A. the estimate of the cost of the Project is reasonable;
 - B. the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the Project;
 - C. the estimate of the annual salaries of these individuals who will be employed or whose employment will be retained can be reasonably expected to result from the Project;
 - D. any other benefits about which information was requested are benefits that can be reasonably expected to result from the Project; and
 - E. the totality of the benefits is sufficient to justify the deduction; and
- WHEREAS, Resolution 02-05 provides that projects that comply with the Plan shall be eligible for a ten-year tax abatement;

NOW THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA THAT:

SECTION I. The Common Council hereby approves the Statement of Benefits submitted for the property located at 718, 720 and 722 West Kirkwood and declares that the Project is eligible for abatement of property taxes as provided in IC 6-1.1-12.1-1 et. seq. for a period of ten (10) years.

SECTION II. In granting this deduction, the Council also expressly exercises the power set forth in IC 6-1.1-12.1-2 (I)(5) to impose additional, reasonable conditions on the rehabilitation or redevelopment beyond those listed in the Statement of Benefits. Failure of the property owner to make reasonable efforts to comply with these conditions are reasons for the Council to rescind this designation and deduction:

- a. the improvements described in the application shall be commenced (defined as construction of the buildings) within twelve months of the date of this designation and
- b. the land and improvements shall be developed and used in a manner that complies with the Plan for West Kirkwood as well as other provisions of the local code.

SECTION III. The Council hereby waives noncompliance with the statutory requirement that a completed Statement of Benefits be submitted to the Council prior to commencement of work on the Project.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2003.

CHRIS GAAL, President
Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2003.

REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2003.

JOHN FERNANDEZ, Mayor
City of Bloomington

SYNOPSIS

Petitioner (B&L Rentals, LLC) has filed an application for approval of its Statement of Benefits for improvements to the property located at 718, 720 and 722 West Kirkwood. This property is within the Economic Revitalization Area designated by Resolution 02-05 and the Economic Development Target Area designated by Ordinance 02-03 and may be eligible for a ten-year property tax abatement if the development complies with the Subarea Plan known as The Plan for West Kirkwood. Petitioner further requests a waiver of the requirement that the completed statement of benefits be submitted to the Council before work is begun on the project. Petitioner has moved a 100-year old house from the S.T. Semicon site to West Kirkwood and is renovating it as three apartments. Indiana Law provides that property taxes on improvements in an area designated by the Common Council as an “Economic Revitalization Area” may be abated for a period from one to ten years. This resolution provides that the owners of the property shall be entitled to a deduction for a period of ten (10) years.

APPLICATION
PROPERTY TAX ABATEMENT PROGRAM

- 1a. B&L Rentals, LLC, 414 Persimmon Court, Bloomington, IN 47403
Brent Weiger and Lori Abram, 824-7353.
- 1b. Brent Weiger 50% and Lori Abram 50%.
- 1c. LLC.
- 1d. same as above.

- 2a. Property: 718.720.722 West Kirkwood Avenue
Lot Size: 62 X 140
Legal: Carmichael's Subdivision, Lot 7
- 2b. Legal Description/Warranty Deed attached hereto.

- 3a. RM7: Minimum lot size variance to allow relocation of a 3-unit building.
Hearing set for January 22, 2003 and approved.
- 3b. One Hundred Year Old Queen Anne previously located at 9th & College.
House was planned for demolition but relocated to West Kirkwood Ave.
Complete renovation to dwelling is in process.
- 3c. Property has three apartments: (1) One Bedroom, (2) Two Bedrooms.
- 3d. Current value of land is \$75,000. After complete renovation, land and
dwelling appraised value is \$250,000.
- 3e. See Nancy Heistand at the City of Bloomington for history of property.

- 4a. Complete renovation. Roof and siding repairs, drywall, hardwood flooring,
tile, appliances, interior and exterior painting, electrical, heating and
cooling, water and sewer hook-on, excavating, storm sewer, asphalt
parking, landscaping.
- 4b. Photos attached hereto.
- 4c. City water & sewer, storm sewer, electricity, sidewalks, bike rack,
landscaping and asphalt parking lot. Cost list attached hereto.
- 4d. House was relocated January 25, 2003. Excavation and foundation had
to be completed prior to relocation. Remodeling began in April and
projected completion by the end of July, 2003.
- 4e. Residential property.
- 4f. This project has been an asset to the West Kirkwood Corridor accenting
other properties and adding value and charm to the neighborhood.

- 5a. This property was extremely dilapidated. If the dwelling had not been
relocated to a new location, it would have been demolished. The age of
the home is approximately 100 years old. The dwelling is ideal for the
West Kirkwood Corridor plan.
- 5b. No employees as it is a residential renovation.
- 5c. Statement of Benefits attached.

RESOLUTION 03-22
TO APPROVE A STATEMENT OF BENEFITS
Re: 718, 720 and 722 West Kirkwood
(B&L Rentals, LLC, Petitioner)

- WHEREAS, in Resolution 02-04 the Common Council approved an amendment to the City of Bloomington's Comprehensive Plan that adopted a Subarea plan for the West Kirkwood Corridor known as "The Plan for West Kirkwood" (hereinafter the "Plan"); and
- WHEREAS, in Resolution 02-05 the Common Council designated as an Economic Revitalization Area (ERA) the area described therein as the "West Kirkwood Corridor," which includes the property at 718, 720 and 722 W. Kirkwood; and
- WHEREAS, in Ordinance 02-03 the Common Council designated the West Kirkwood Corridor as an Economic Development Target Area (EDTA) pursuant to IC 6-1.1-12-7(a); and
- WHEREAS, Petitioner has filed an application for property tax abatement for the property located at 718, 720 and 722 West Kirkwood (the "Project"); and
- WHEREAS, the Project consists of a Queen Anne house approximately 100 years old that was relocated to the West Kirkwood property from the site of the S.T. Semicon plant on North College Avenue to make way for new construction there, and which will be renovated into three apartments; and
- WHEREAS, Resolution 02-05 set forth the procedures whereby a property owner whose project met the criteria of the Plan could receive tax abatement on the project after approval of a Statement of Benefits by the Common Council, which are that the Economic Development Director and Planning Director must determine that the Project complies with the Plan and all necessary variances to bring the Project into compliance with Plan have been obtained; and
- WHEREAS, the Planning Director and Economic Development Director have determined that the Project complies with the Plan and that all variances necessary to make it comply with the Plan have been obtained; and
- WHEREAS, due to timing of the Semicon demolition, the Project had to be moved to West Kirkwood prior to Common Council approval of the Statement of Benefits for tax abatement, and Petitioner is seeking waiver pursuant to 50 IAC 10-4-1(a)(2) of the requirement that a completed Statement of Benefits be submitted to the Council prior to commencement of work on the Project; and
- WHEREAS, the Council has held a public hearing as required by 50 IAC 10-4-1(c) on the waiver of noncompliance with the requirement that a completed Statement of Benefits be submitted to the Council before work on the Project commences; and
- WHEREAS, Petitioners seeking designation of the their property as an ERA must submit to the Common Council a Statement of Benefits and must, prior to March 1st of each year, provide the Monroe County Auditor and the Common council with information showing the extent to which there has been compliance with the Statement of Benefits; and
- WHEREAS, the Common Council has investigated the area and reviewed the Statement of Benefits and Application, which are attached hereto and made a part hereof, and found the following:
- A. the estimate of the cost of the Project is reasonable;
 - B. the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the Project;
 - C. the estimate of the annual salaries of these individuals who will be employed or whose employment will be retained can be reasonably expected to result from the Project;
 - D. any other benefits about which information was requested are benefits that can be reasonably expected to result from the Project; and
 - E. the totality of the benefits is sufficient to justify the deduction; and
- WHEREAS, Resolution 02-05 provides that projects that comply with the Plan shall be eligible for a ten-year tax abatement;

NOW THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA THAT:

SECTION I. The Common Council hereby approves the Statement of Benefits submitted for the property located at 718, 720 and 722 West Kirkwood and declares that the Project is eligible for abatement of property taxes as provided in IC 6-1.1-12.1-1 et. seq. for a period of ten (10) years.

SECTION II. In granting this deduction, the Council also expressly exercises the power set forth in IC 6-1.1-12.1-2 (I)(5) to impose additional, reasonable conditions on the rehabilitation or redevelopment beyond those listed in the Statement of Benefits. Failure of the property owner to make reasonable efforts to comply with these conditions are reasons for the Council to rescind this designation and deduction:

- a. the improvements described in the application shall be commenced (defined as construction of the buildings) within twelve months of the date of this designation and
- b. the land and improvements shall be developed and used in a manner that complies with the Plan for West Kirkwood as well as other provisions of the local code.

SECTION III. The Council hereby waives noncompliance with the statutory requirement that a completed Statement of Benefits be submitted to the Council prior to commencement of work on the Project.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2003.

CHRIS GAAL, President
Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2003.

REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2003.

JOHN FERNANDEZ, Mayor
City of Bloomington

SYNOPSIS

Petitioner (B&L Rentals, LLC) has filed an application for approval of its Statement of Benefits for improvements to the property located at 718, 720 and 722 West Kirkwood. This property is within the Economic Revitalization Area designated by Resolution 02-05 and the Economic Development Target Area designated by Ordinance 02-03 and may be eligible for a ten-year property tax abatement if the development complies with the Subarea Plan known as The Plan for West Kirkwood. Petitioner further requests a waiver of the requirement that the completed statement of benefits be submitted to the Council before work is begun on the project. Petitioner has moved a 100-year old house from the S.T. Semicon site to West Kirkwood and is renovating it as three apartments. Indiana Law provides that property taxes on improvements in an area designated by the Common Council as an “Economic Revitalization Area” may be abated for a period from one to ten years. This resolution provides that the owners of the property shall be entitled to a deduction for a period of ten (10) years.

I hereby certify that the representations made in this application are true and I understand that if the above improvements are not commenced (defined as obtaining a building permit and actual start of construction) within 12 months of the date of the designation of the above area as an Economic Revitalization Area, the Bloomington Common Council shall have the right to void such designation.

OWNER

DATE

Lori Abram
BA Werge

7-3-03
7/3/03

*All owners must sign; all general partners must sign; the president of the corporation must sign.

Please submit this Application along with a non-refundable fee of \$100.00. Checks should be made out to the City of Bloomington.



STATEMENT OF BENEFITS

State Form 27167 (R3 / 11-91)

Form SB - 1 is prescribed by the State Board of Tax Commissioners, 1989

The records in this series are CONFIDENTIAL according to IC 6-1.1-35-9

RECEIVED

JUL 16 2003

FORM
SB - 1

INSTRUCTIONS:

1. This statement must be submitted to the body designating the economic revitalization project prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. The statement must be submitted to the designating body BEFORE a person installs the new manufacturing equipment, or BEFORE the redevelopment or rehabilitation of real property if which the person wishes to claim a deduction. A statement of benefits is not required if the area was designated an ERA prior to July 1, 1987 and the "project" was planned and committed to by the applicant, and approved by the designating body, prior to that date. "Projects" planned or committed to after July 1, 1987 and areas designated after July 1, 1987 require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation or prior to installation of the new manufacturing equipment, BEFORE a deduction may be approved.
3. To obtain a deduction, Form 322 ERA, Real Estate Improvements and / or Form 322 ERA / PP, New Machinery, must be filed with the county auditor. With respect to real property, Form 322 ERA must be filed by the later of: (1) May 10; or (2) thirty (30) days after a notice of increase in real property assessment is received from the township assessor. Form 322 ERA / PP must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment is installed, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and June 14 of that year.
4. Property owners whose Statement of Benefits was approved after July 1, 1991 must submit Form CF - 1 annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)

OFFICE OF THE MAYOR
BLOOMINGTON, INDIANA

SECTION 1

TAXPAYER INFORMATION

Name of taxpayer

B&L Rentals, LLC

Address of taxpayer (street and number, city, state and ZIP code)

414 Persimmon Court, Bloomington, IN 47403

Name of contact person

Brent Weiger

Telephone number

(812) 824-7353

SECTION 2

LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body

B&L Rentals, LLC

Resolution number

Location of property

718-720-722 W. Kirkwood Ave.

County

Monroe

Taxing district

Description of real property improvements and / or new manufacturing equipment to be acquired (use additional sheets if necessary)

Queen Anne house renovated into 3 apartments, off-street parking.

Estimated starting date

Estimated completion date

7-31-03

SECTION 3

ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
0	0	0	0	0	0

SECTION 4

ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

	Real Estate Improvements		Machinery	
	Cost	Assessed Value	Cost	Assessed Value
Current values	76,000			
Plus estimated values of proposed project	133,000			
Less values of any property being replaced				
Net estimated values upon completion of project	209,000	250,000		

SECTION 5

OTHER BENEFITS PROMISED BY THE TAXPAYER

N/A

SECTION 6

TAXPAYER CERTIFICATION

I hereby certify that the representations in this statement are true.

Signature of authorized representative

Title

Date signed (month, day, year)

Mark A. Abram

MEMBER

7-2-03

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

- A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.
- B. The type of deduction that is allowed in the designated area is limited to:
1. Redevelopment or rehabilitation of real estate improvements; ☐ Yes ☐ No
 2. Installation of new manufacturing equipment; ☐ Yes ☐ No
 3. Installation of new research and development equipment; ☐ Yes ☐ No
 4. Residentially distressed areas ☐ Yes ☐ No
- C. The amount of deduction applicable for redevelopment or rehabilitation is limited to \$ _____ cost with an assessed value of \$ _____.
- D. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____.
- E. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.
- F. Other limitations or conditions (specify) PLEASE SEE RES 02-05, RES 02-06, RES 03-22 / APPLICATION

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member)	Telephone number ()	Date signed (month, day, year)
Attested by:	Designated body	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4 or 4.5.

718.720.722 West Kirkwood Avenue
(Queen Anne)

Expenses:

Move House	\$	24,800
Excavating		4,000
Foundation		11,000
Utility		34,000
Plumbing		5,000
Electrical		6,000
Drywall		8,000
Insulation		3,000
HVAC		9,000
Paint		6,000
Flooring		8,000
Cabinets		4,000
City:		
Storm Sewer		2,650
Water Line Upgrade		1,600
Asphalt		4,000
Sewer Hook-on		2,280

Expenses	\$	134,330
Lot Purchase	\$	76,000
Total Expenses	\$	209,330

Appraised Value Upon Completion \$250,000

Tax Abatement Calculations for Real Property Improvement
 B&L Rentals 718,720,722 W. Kirkwood Avenue
 Using 2003 Payable 2004 Tax Rate and AV Estimates

Improvements \$ 133,000
 2003 Tax Rate 2.1789%
 Annual Taxes without Abatement \$ 2,898

Year	Abatement Percent	Abatement	Taxes Payable	Taxes Abated
1	100%	\$ 133,000	\$ -	\$ 2,898
2	95%	\$ 126,350	\$ 145	\$ 2,753
3	80%	\$ 106,400	\$ 580	\$ 2,318
4	65%	\$ 86,450	\$ 1,014	\$ 1,884
5	50%	\$ 66,500	\$ 1,449	\$ 1,449
6	40%	\$ 53,200	\$ 1,739	\$ 1,159
7	30%	\$ 39,900	\$ 2,029	\$ 869
8	20%	\$ 26,600	\$ 2,318	\$ 580
9	10%	\$ 13,300	\$ 2,608	\$ 290
10	5%	\$ 6,650	\$ 2,753	\$ 145
Total Taxes to be Paid:				\$ 14,635
Total Value of Abatement:				\$ 14,345





RESOLUTION 03-21
TO APPROVE A STATEMENT OF BENEFITS
Re: 612 and 614 West Kirkwood
(B&L Rentals, LLC, Petitioner)

- WHEREAS, in Resolution 02-04 the Common Council approved an amendment to the City of Bloomington’s Comprehensive Plan that adopted a Subarea plan for the West Kirkwood Corridor known as “The Plan for West Kirkwood” (hereinafter the “Plan”); and
- WHEREAS, in Resolution 02-05 the Common Council designated as an Economic Revitalization Area (ERA) the area described therein as the “West Kirkwood Corridor,” which includes the property at 612 and 614 W. Kirkwood; and
- WHEREAS, in Ordinance 02-03 the Common Council designated the West Kirkwood Corridor as an Economic Development Target Area (EDTA) pursuant to IC 6-1.1-12-7(a); and
- WHEREAS, Petitioner has filed an application for property tax abatement for the property located at 612 and 614 West Kirkwood (the “Project”); and
- WHEREAS, the Project will consist of construction of a two story building that complies with the Plan and has a real estate office on the main floor and a two-bedroom apartment on the second floor; and
- WHEREAS, Resolution 02-05 set forth the procedures whereby a property owner whose project met the criteria of the Plan could receive tax abatement on the project after approval of a Statement of Benefits by the Common Council, which are that the Economic Development Director and Planning Director must determine that the Project complies with the Plan and all necessary variances to bring the Project into compliance with Plan have been obtained; and
- WHEREAS, the Planning Director and Economic Development Director have determined that the Project complies with the Plan and that all variances necessary to make it comply with the Plan have been obtained; and
- WHEREAS, Petitioners seeking designation of the their property as an ERA must submit to the Common Council a Statement of Benefits and must, prior to March 1st of each year, provide the Monroe County Auditor and the Common council with information showing the extent to which there has been compliance with the Statement of Benefits; and
- WHEREAS, the Common Council has investigated the area and reviewed the Statement of Benefits and the Application, which are attached hereto and made a part hereof, and found the following:
- A. the estimate of the cost of the Project is reasonable;
 - B. the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the Project;
 - C. the estimate of the annual salaries of these individuals who will be employed or whose employment will be retained can be reasonably expected to result from the Project;
 - D. any other benefits about which information was requested are benefits that can be reasonably expected to result from the Project; and
 - E. the totality of the benefits is sufficient to justify the deduction; and
- WHEREAS, Resolution 02-05 provides that projects that comply with the Plan shall be eligible for a ten-year tax abatement;

NOW THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA THAT:

SECTION I. The Common Council hereby approves the Statement of Benefits submitted for the property located at 612 and 614 West Kirkwood and declares that the Project is eligible for abatement of property taxes as provided in IC 6-1.1-12.1-1 et. seq. for a period of ten (10) years.

SECTION II. In granting this deduction, the Council also expressly exercises the power set forth in IC 6-1.1-12.1-2 (I)(5) to impose additional, reasonable conditions on the rehabilitation or redevelopment beyond those listed in the Statement of Benefits. Failure of the property owner to make reasonable efforts to comply with these conditions are reasons for the Council to rescind this designation and deduction:

- a. the improvements described in the application shall be commenced (defined as construction of the buildings) within twelve months of the date of this designation and
- b. the land and improvements shall be developed and used in a manner that complies with the Plan for West Kirkwood as well as other provisions of the local code.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2003.

CHRIS GAAL, President
Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2003.

REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2003.

JOHN FERNANDEZ, Mayor
City of Bloomington

SYNOPSIS

Petitioner (B&L Rentals, LLC) has filed an application for approval of its Statement of Benefits for improvements to the property located at 612 and 614 West Kirkwood. This property is located within the Economic Revitalization Area designated by Resolution 02-05 and the Economic Development Target Area designated by Ordinance 02-03 and may be eligible for a ten-year property tax abatement if the development complies with the Subarea Plan known as The Plan for West Kirkwood. Indiana Law provides that property taxes on improvements to real estate within an area designated by the Common Council as an “Economic Revitalization Area” may be abated for a period from one to ten years. This resolution provides that the owners of the property shall be entitled to a deduction for a period of ten (10) years.

**B&L RENTALS, LLC
414 PERSIMMON COURT
BLOOMINGTON, IN 47403
Ph (812) 824-7353
FAX (812) 824-7354**

Tax Abatement Application Information

4/22/03

- 1a. B&L Rentals, LLC, 414 Persimmon Court, Bloomington, IN 47403, 824-7353
- 1b. Brent Weiger 50% and Lori Abram 50% Ownership
- 1c. N/A
- 1d. Brent Weiger and Lori Abram both reside at address of B&L Rentals, LLC

- 2a. 612 W. Kirkwood Ave., Lot 12, lot size is 60X143
- 2b. Legal Description: Carmichael's Subdivision, Lot 12


- 3a. Zoning is CL with no changes necessary
- 3b. There are no improvements on site. It is a vacant city lot.
- 3c. N/A
- 3d. Value of land is approximately \$75,000. No improvements.
- 3e. N/A

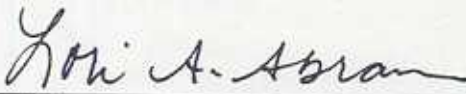
- 4a. Projected cost of construction is \$100,000. Plans include a 28 X 28 two story building with a real estate office on the main level and a two bedroom apartment upstairs. There will be a 24 X 24 detached garage on the back corner of the lot with a parking area for tenants and guests. The building and garage will have Norman Rockwell siding, dimensional shingles. Accents of white, including vinyl windows and covered porch.
- 4b. Sketch attached.
- 4c. All utilities will be connected including any requested items, such as storm sewer connection. Costs are undetermined at this time.
- 4d. Projected date of construction is July 1, 2003 with completion within 4mos.
- 4e. Jobs retained/created: One REALTOR, Two Assistants; possible growth.
- 4f. This project is within the Kirkwood Corridor plan. It will add character to the neighborhood with design similar to nearby buildings.

B&L Rentals, page 2

- 5a. This site is in the Kirkwood Corridor plan. The City and residents would like to see charm and character fill in the vacant lots as well as help add value to neighboring properties. The new building will provide jobs and downtown housing at one location and be a contributor to downtown.
- 5b. There will be two new employees retained upon completion of the project. The salaries will be approximately \$21,000 with bonus opportunities. Vacation and bonus will be included in employee benefits with insurance and investment opportunities to come after trial period.
- 5c. Statement of Benefits form attached.

The information is provided by B&L Rentals, LLC.
Your consideration of tax abatement is greatly appreciated.


Brent Weiger


Lori Abram



STATEMENT OF BENEFITS

State Form 27167 (R7 / 12-01)

Prescribed by the Department of Local Government Finance

FORM
SB - 1

INSTRUCTIONS:

1. This statement must be submitted to the body designating the economic revitalization area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and / or research and development equipment, or **BEFORE** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987 and areas designated after July 1, 1987 require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation, or prior to installation of the new manufacturing equipment and / or research and development equipment, **BEFORE** a deduction may be approved.
3. To obtain a deduction, Form 322 ERA, Real Estate Improvements and / or Form 322 ERA / PPME and / or 322 ERA / PPR & DE, must be filed with the county auditor. With respect to real property, Form 322 ERA must be filed by the later of: (1) May 10; or (2) thirty (30) days after a notice of increase in real property assessment is received from the township assessor. Form 322 ERA / PPME and / or 322 ERA PPR & DE must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and / or research and development equipment becomes assessable, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991 must submit Form CF - 1 annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4(d) and IC 6-1.1-12.1-4.5 (e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000.
The schedules effective prior to July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.

SECTION 1		TAXPAYER INFORMATION					
Name of taxpayer B&L Rentals, uc							
Address of taxpayer (street and number, city, state and ZIP code) 414 Persimmon Court, Bloomington, IN 47403							
Name of contact person Lori Abram		Telephone number (812) 824-7353					
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body City Council		Resolution number X					
Location of property 612/614 W. Kirkwood Ave.		County Monroe					
Description of real property improvements and / or new manufacturing equipment and / or research and development equipment (use additional sheets if necessary) 28x28 Two Story Building with 24x24 Detached Garage. Office in main level and two bedroom apartment upstairs.		Taxing district Bloomington City					
		ESTIMATED					
		Start Date	Completion Date				
		Real Estate	6-03				
		New Mfg Equipment	10-03				
		R & DE					
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 1	Salaries \$65,000 net	Number retained 1	Salaries \$65,000 net	Number additional 2	Salaries \$40,000 total		
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.		Real Estate Improvements		Machinery		Research and Development Equipment	
		Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value
Current values		75,000	75,000				
Plus estimated values of proposed project		100,000	125,000				
Less values of any property being replaced		-	-				
Net estimated values upon completion of project		175,000	200,000				
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER					
Estimated solid waste converted (pounds)		Estimated hazardous waste converted (pounds)					
Other benefits: X							
SECTION 6		TAXPAYER CERTIFICATION					
I hereby certify that the representations in this statement are true.							
Signature of authorized representative Lori A. Abram				Title MEMBER		Date signed (month, day, year) 4-22-03	

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.

B. The type of deduction that is allowed in the designated area is limited to:

- | | |
|---|--|
| 1. Redevelopment or rehabilitation of real estate improvements; | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Installation of new research and development equipment; | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. Residentially distressed areas | <input type="checkbox"/> Yes <input type="checkbox"/> No |

C. The amount of deduction applicable for redevelopment or rehabilitation is limited to \$ _____ cost with an assessed value of \$ _____.

D. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____.

E. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.

F. Other limitations or conditions (specify) PLEASE SEE RES 02-05, RES 02-06, RES 03-22 / APPLICATION

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member)

Telephone number

Date signed (month, day, year)

()

Attested by:

Designated body

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4 or 4.5.

Tax Abatement Calculations for Real Property Improvement
 B&L Rentals 612/614 W. Kirkwood Avenue
 Using 2003 Payable 2004 Tax Rate and AV Estimates

Improvements \$ 100,000
 2003 Tax Rate 2.1789%
 Annual Taxes without Abatement \$ 2,179

Year	Abatement Percent	Abatement	Taxes Payable	Taxes Abated
1	100%	\$ 100,000	\$ -	\$ 2,179
2	95%	\$ 95,000	\$ 109	\$ 2,070
3	80%	\$ 80,000	\$ 436	\$ 1,743
4	65%	\$ 65,000	\$ 763	\$ 1,416
5	50%	\$ 50,000	\$ 1,089	\$ 1,089
6	40%	\$ 40,000	\$ 1,307	\$ 872
7	30%	\$ 30,000	\$ 1,525	\$ 654
8	20%	\$ 20,000	\$ 1,743	\$ 436
9	10%	\$ 10,000	\$ 1,961	\$ 218
10	5%	\$ 5,000	\$ 2,070	\$ 109
Total Taxes to be Paid:				\$ 11,003
Total Value of Abatement:				\$ 10,786

Pat Haley
Monroe County Recorder IN
IN 2003001625 WAR
01/17/2003 13:38:55 1 PGS
Filing Fee: \$14.00

Address of Grantee:
414 Persimmon Court
Bloomington, IN 47403
Duplicate #013-42560-00

copy

WARRANTY DEED

THIS INDENTURE WITNESSETH, That, RANDY L. CARMICHAEL, of legal age, ("Grantor"), of Monroe County, in the State of Indiana, CONVEYS AND WARRANTS to B&L RENTALS, LLC, an Indiana Limited Liability Company, for the sum of One Dollar (\$1.00) and other valuable consideration, the receipt of which is hereby acknowledged, the following described real estate in Monroe County, in the State of Indiana:

Lot Number Seven (7) in Cron and Carmichael's Subdivision of Out Lot Number Eight (8) in the City of Bloomington, Indiana, as shown by the recorded plat thereof.

SUBJECT TO the covenants, conditions, restrictions and easements of Cron and Carmichael's Subdivision, as shown by the recorded plat thereof recorded at Plat Book 1, page 15, and now found in Plat Cabinet B, Envelope 7, in the office of the Recorder of Monroe County, Indiana.

SUBJECT TO a restrictive covenant that this property shall not be used for a chiropractic office for four (4) years from the date of recording of this deed.

SUBJECT TO taxes for 2002, due and payable in May, 2003, and all subsequent taxes.

IN WITNESS WHEREOF, Grantor has executed this Deed this 17th day of January, 2003.



RANDY L. CARMICHAEL

STATE OF INDIANA) COUNTY OF MONROE) SS:

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared RANDY L. CARMICHAEL, who acknowledged the execution of the foregoing Warranty Deed, and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this 17th day of January, 2003.

(seal)

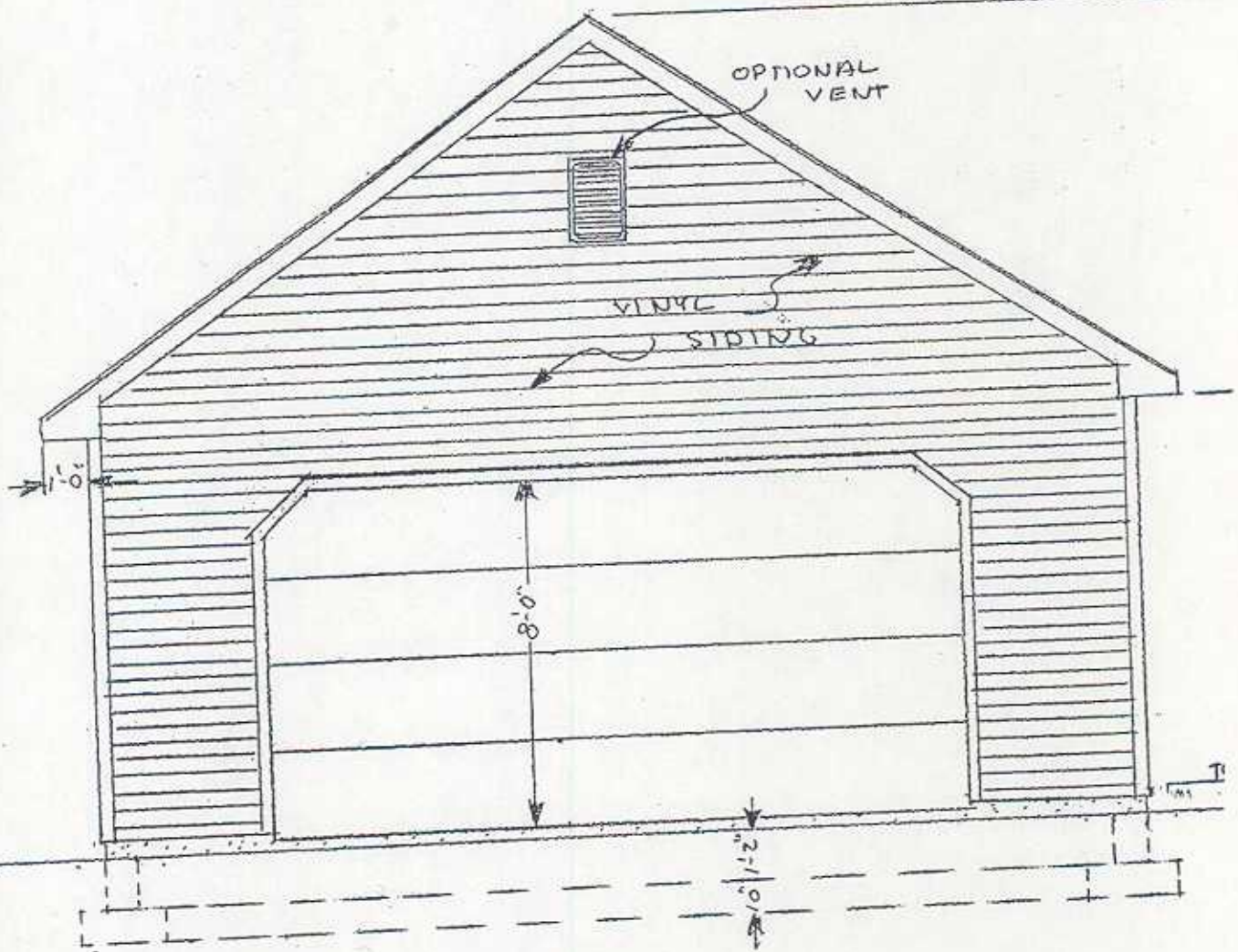

Herbert L. Kilmer, Notary Public
Residing in Monroe County, IN
My Commission Expires: 01-08-2008

This instrument prepared by Herbert L. Kilmer, Attorney, Bloomington, IN

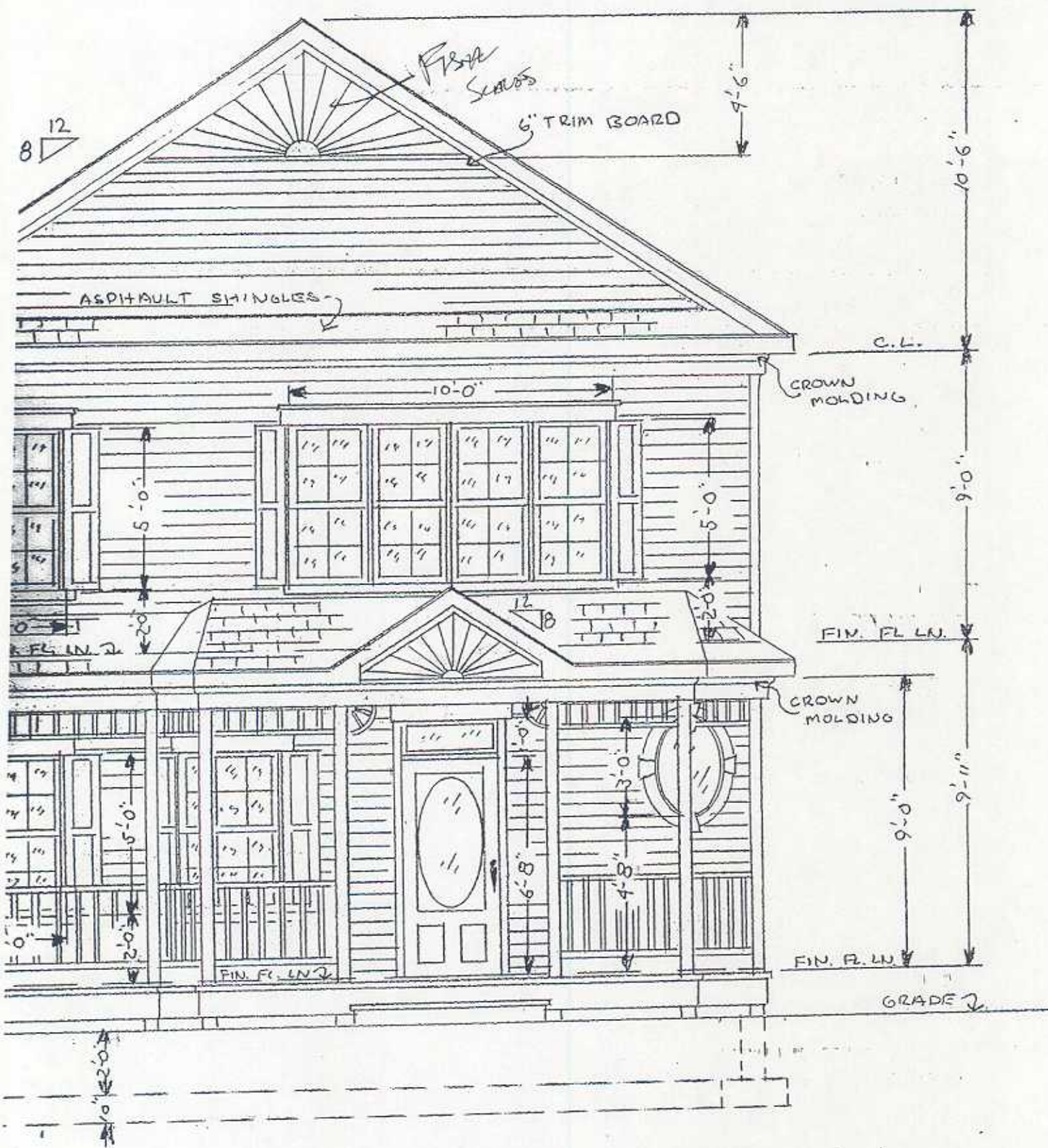
DULY ENTERED
FOR TAXATION

JAN 17 2003

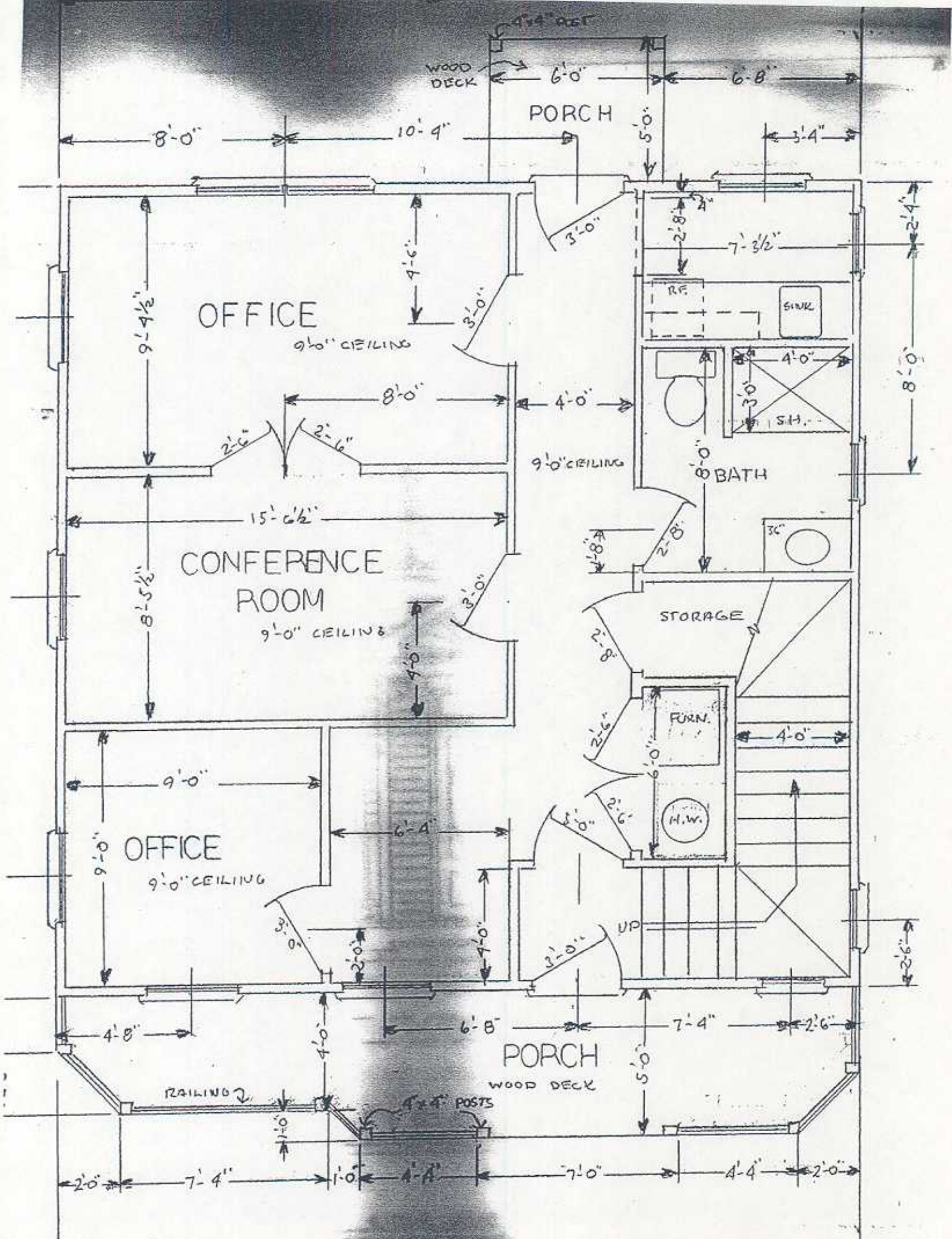

Auditor Monroe County, Indiana

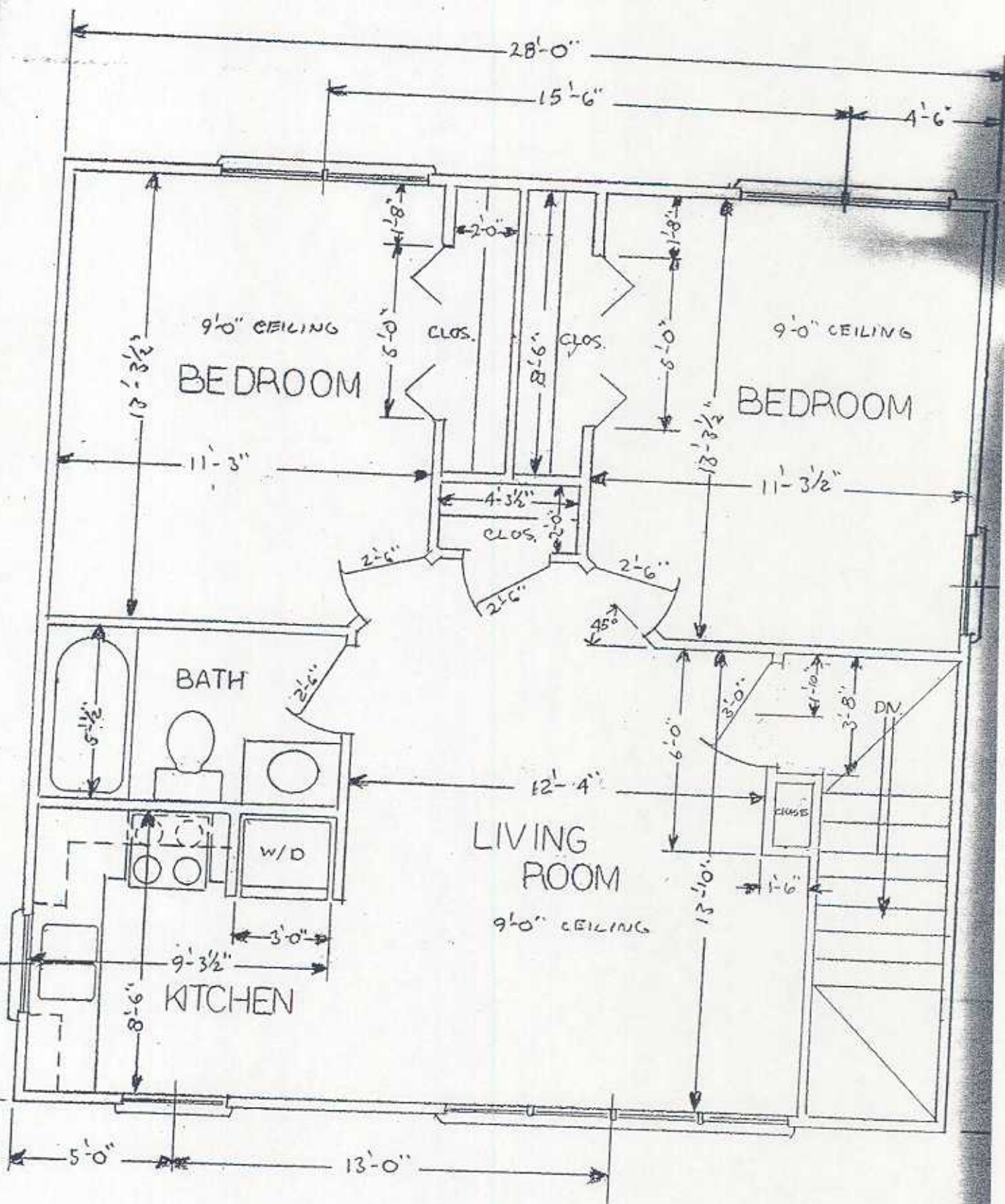


ELEVATIONS



FRONT ELEVATION





2nd FLOOR

RESOLUTION 03-24

APPROVING AN ADDENDUM TO THE BENCHMARK AGREEMENT FOR THE INDIANA ENTERPRISE CENTER INITIALLY APPROVED BY RESOLUTION 01-11

- WHEREAS, in 1998 Thomson Consumer Electronics closed its television assembly plant in Bloomington, Indiana, eliminating 1200 jobs and leaving vacant a 200 acre, 1.8 million square foot industrial facility which is located in the Thomson/Walnut Winslow Economic Development and TIF Allocation Area (“Area”); and
- WHEREAS, a Community Revitalization Enhancement District (“CREED”) has been established pursuant to Ind. Code 36-7-13 upon the former Thomson site, under which Bloomington LLC will be entitled to payment of certain incremental tax revenues for attainment of goals and benchmarks on the site as approved by the Bloomington Industrial Development Advisory Commission and Common Council; and
- WHEREAS, the Redevelopment Commission, Common Council, Travis LLC and Bloomington LLC entered into an economic development financing agreement dated July 11, 2001, whereby the City agreed to finance up to \$1.1 million of the cost of demolition of the building formerly located at 1200 S. Rogers (“Building One”) and Bloomington LLC agreed to construct certain improvements on the Building One site that would constitute benchmarks triggering the right to receive payments of CREED revenues and to assign its right to said CREED revenues to the Commission to repay demolition costs; and
- WHEREAS, Bloomington LLC and Mackinac LLC, which acquired Travis LLC’s property in the Indiana Enterprise Center, own the former Thomson site and certain adjoining properties, and intend to develop the former Thomson site as the Indiana Enterprise Center; and
- WHEREAS, due to adverse economic conditions Bloomington LLC has not been able to construct the intended improvements on the Building One site, but the Commission wishes to be reimbursed for its demolition costs; and
- WHEREAS, it is desirable to designate as additional benchmarks triggering the CREED reimbursement other development on property owned by Bloomington LLC and Mackinac LLC in or adjoining the Indiana Enterprise Center that will probably be redeveloped before the Building One site, and Bloomington LLC and Mackinac LLC are willing to assign their rights to receive CREED revenues deriving from the attainment of those additional benchmarks to the Commission to reimburse the demolition costs; and
- WHEREAS, the attached Addendum to the July 11, 2001 Economic Development Financing Agreement designates as Additional Benchmarks the execution of a purchase agreement or lease for certain properties owned by Bloomington LLC or Mackinac LLC in or adjoining the Indiana Enterprise Center, or the construction of footers and foundations for new construction or the remodeling for business expansion or development on the designated properties, and reaffirms assignment of CREED revenues payable upon attainment of a Benchmark or Additional Benchmark to the Commission, and
- WHEREAS, the Addendum further provides that upon attainment of an original Benchmark or an Additional Benchmark the Commission shall be automatically entitled to begin receiving CREED revenues of \$100,000 per year after previous commitments to PTS have been paid up to a total of \$1.1 million, and any remaining CREED revenues received during a calendar year

shall be deposited in the Industrial Development Fund for use as provided in IC 36-7-13;

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION I.. The attached Addendum to Economic Development Financing Agreement between the Redevelopment Commission, City of Bloomington, Mackinac LLC, Travis LLC and Bloomington LLC is approved.

SECTION II. This resolution shall be in full force and effect from and after passage by the Common Council of the City of Bloomington and approval by the Mayor.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this ____ day of _____, 2003.

CHRIS GAAL, President
Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor on this ____ day of _____, 2003.

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

SIGNED AND APPROVED by me upon this ____ day of _____, 2003.

JOHN FERNANDEZ, Mayor
City of Bloomington

SYNOPSIS

This resolution approves an addendum to the economic development financing agreement approved in Resolution 01-11 that established benchmarks for CREED payments to the developers of the Indiana Enterprise Center (former Thomson Consumer Electronics site), which payments the developers have assigned back to the City. The addendum adds additional benchmarks, consisting of the execution of a lease or purchase agreement for any property in the IEC owned by the developers, or construction of footers and a foundation for any new construction or remodeling of an existing building for business expansion or development in the IEC. Upon the attainment of either an original or additional benchmark, the City will receive up to \$1,100,000 in CREED revenues to repay the costs of demolishing for former Thomson Building One. The first \$100,000 per year in CREED revenues after payments to PTS will be deposited in the Thomson TIF fund. Any remaining CREED revenues will be deposited in the Industrial Development Fund for use in accordance with the CREED statute, IC 36-7-13.

Memorandum

To: Common Council Members

From: Maren McGrane

Date: July 23, 2003

Re: Resolution 03-24

Resolution 03-24 approves an addendum to the economic development financing agreement entered into in July, 2001 regarding the former Thomson Consumer Electronics site, now known as the Indiana Enterprise Center (IEC). The parties to this agreement are the City of Bloomington, the Bloomington Redevelopment Commission, and several limited liability companies controlled by Patterson Management Group, Bloomington LLC, Mackinac LLC, and Travis LLC (known as the Developers of the Indiana Enterprise Center). The addendum establishes additional benchmarks pursuant to the CREED statute, IC 36-7-13, to trigger the repayment with CREED revenues of the \$1.1 million in TIF revenues that were used for the demolition of the former Thomson Building One on South Rogers Street.

The 2001 agreement was approved by the council in Resolution 01-11. The original agreement provided as follows:

- the Redevelopment Commission would contract for the demolition of Building One, up to a maximum of \$1,100,000, using funds from the Thomson TIF account;
- the Developers would use their best efforts to construct certain specified improvements on the Building One site in the IEC, which consists of approximately 12 acres at the corner of Rogers Street and Patterson Drive;
- a benchmark consisting of the construction of footers and foundations for the first building on the Building One site containing at least 30,000 square feet was established for CREED payment purposes, so that when the Developers met the benchmark they would be entitled to receipt of CREED revenues in the amount the Redevelopment Commission paid for demolition costs; and
- the Developers assigned their right to receive the CREED payments back to the Redevelopment Commission effective immediately upon attainment of the benchmark and authorized the City Controller to transfer the CREED revenues received from the state directly into the Thomson TIF account.

A copy of the original agreement is attached. Under this agreement, the Developers would not actually receive any CREED payments. All their rights to receive payments that are created under the agreement are assigned to the Redevelopment Commission.

Building One was demolished by the Redevelopment Commission, which paid \$1.1 million in TIF funds for the work. Shortly thereafter, the economy faltered, the Developers have

been unable to develop the improvements on the Building One site as originally planned, and as a result, the original benchmark has not been attained.

In order to generate the CREED revenues necessary to repay the TIF, the addendum approved in Resolution 03-24 creates additional benchmarks which consist of any construction or renovation for business expansion and any sale or lease of property in the IEC or on adjoining property owned by the Developers. The property owned by the Developers is shown on the map attached to the addendum. The addendum also adds as a party another limited liability company controlled by Developers that owns property in the IEC. Except as discussed below regarding the rate of repayment of the TIF with CREED revenues, the rest of the original agreement remains unchanged. The original benchmark remains in place, but is supplemented by the additional benchmarks that may occur in the near future.

As you know, Best Beers, Inc. and PTS Corporation will expand their operations into the IEC on property owned or conveyed by the Developers, which will generate additional CREED revenues and will satisfy the terms of the additional benchmarks. Based on projected employment from the Best Beers and PTS projects, approximately \$173,000 will be available in CREED revenues by the beginning of 2005, net of commitments of CREED funding to Best Beers and PTS. As a result, this agreement dedicates \$100,000 of the available CREED funds per year to repay the TIF account until the total \$1.1 million is repaid. The remaining available CREED funds will be deposited in the Industrial Development Fund (IDF).

Resolution 03-24 has the approval of both the Bloomington Industrial Development Advisory Commission and the Redevelopment Commission. This resolution also has the support of the Administration because of the almost immediate attainment of the additional benchmark as a result of the Best Beers and PTS projects. Both Best Beers and PTS plan to commence construction work in the IEC within the next couple of months.

Also attached with the Addendum is a map of the CREED district, a map of the parcels owned by the Developers, and a copy of the original Economic Development Financing Agreement. Please contact me if you have any questions.

ADDENDUM TO ECONOMIC DEVELOPMENT FINANCING AGREEMENT

THIS ADDENDUM, made and entered into as of the ____ day of _____, 2003 by and between the **CITY OF BLOOMINGTON, INDIANA** (the "City"); **THE BLOOMINGTON REDEVELOPMENT COMMISSION** (the "Commission"); **BLOOMINGTON LLC**, an Indiana limited liability company, **MACKINAC LLC**, an Indiana limited liability company and **TRAVIS LLC**, an Indiana limited liability company, all d/b/a Patterson Management Group (Bloomington LLC, Mackinac LLC and Travis LLC are collectively referred to herein as the "Developers"), **WITNESSETH:**

WHEREAS, Mackinac LLC owns the following parcels in or adjoining the former Thomson Consumer Electronics site: Part of Seminary Lots 54 and 57 (9.34 acres, Tax ID 015-43780-00); Dodds Addition, Part Lot 14 (Tax ID 015-12930-00); and Dodds Addition, Lot 27 (Tax ID 015-53090-00) (hereinafter the "Mackinac Property"); and

WHEREAS, Bloomington LLC owns the following parcels in or adjoining the former Thomson Consumer Electronics site: Part of Seminary Lots 54-57 and vacated alley (20.21 acres, Tax ID 015-43770-00); Part of Seminary Lot 42, Duncan Lot 1 and Part of Lot 2, the south 99 feet of Duncan Lots 21-30, and a vacated alley and street (12.26 acres, Tax ID 015-43740-00); Part of the Northeast quarter of the Northeast quarter of Perry Township Section 8 (0.36 acres, Tax ID 015-26590-01); Part of Seminary Lot 40, M.M. Campbell's Addition Lots 73 and 74 and vacated alley (2.04 acres, Tax ID 015-43590-00); and Part of Seminary Lot 42 (2.20 acres, Tax ID 015-43790-00) (hereinafter the "Bloomington LLC Property"); and

WHEREAS, the 12.26 acre site owned by Bloomington LLC at the corner of Rogers Street and Patterson Drive is the site of the former Thomson television assembly building at 1200 S. Rogers, Bloomington, Indiana ("Building One"), which Developers intend to develop into a business park known as the Indiana Enterprise Center (IEC); and

WHEREAS, all the parties except Mackinac LLC entered into an Economic Development Financing Agreement ("Agreement") dated July 11, 2001, under which the Commission agreed to contract for the demolition of Building One and pay up to \$1,100,000 in demolition costs for Building One using funds from the Thomson Tax Increment Financing (TIF) account; the City approved the construction of certain improvements on the site of Building One (the "Benchmarks") as benchmarks triggering payment to Developer of Community Revitalization Enhancement District ("CREED") funds pursuant to IC 36-7-13-18(b); and the Developer agreed to construct the Benchmarks and assigned to the Commission its right to receive CREED revenues that result from the construction of the Benchmarks to reimburse the Thomson TIF account; and

WHEREAS, the Agreement provides in Section 9.10 that it will terminate upon the repayment in full of the demolition costs for Building One with CREED revenues or after the expiration of fifteen (15) years, whichever occurs first;

WHEREAS, the Commission caused Building One to be demolished and paid \$1,100,000 in Thomson TIF funds towards the demolition, but due to adverse economic conditions Developer has not obtained tenants for the improvements that were designated as the Benchmarks, and has not yet constructed the Benchmarks; and

WHEREAS, the Commission wishes to receive the CREED revenues that will be payable to it upon construction of the Benchmarks; and

WHEREAS, IC 36-7-13-18(b) allows the City to establish the goals or benchmarks that trigger the payment of CREED revenues; and

WHEREAS, other areas in or adjoining the former Thomson site now owned by Developers may be developed before the Building One site and it is desirable to designate as additional benchmarks any construction or business expansion by Developers or others within the portion of the former Thomson site or adjoining property currently owned by Developers, or the sale or lease of any part of the Mackinac LLC or Bloomington LLC Properties, as shown on the map attached hereto as Exhibit A and incorporated herein by reference (the "Additional Benchmarks"); and

WHEREAS, Mackinac LLC has acquired from Port Perry Marketing Company, LLC, the parcel consisting of 9.34 acres and described as Part of Seminary Lots 54 and 57 (Tax ID 015-43780-00); and

WHEREAS, Mackinac LLC has entered into or intends to enter into an agreement with Best Beers, Inc. whereby Best Beers, Inc. will purchase from Mackinac LLC land located at 1101 West Allen Street, part of the Mackinac Property, for construction of a new corporate headquarters and warehouse facility, the construction of which would be an Additional Benchmark that would trigger payment of CREED revenues; and

WHEREAS, Bloomington LLC has entered into or intends to enter into a lease with PTS Corporation or a related business entity ("PTS") under which PTS will rent space in Building Two, part of the Bloomington LLC Property, for expansion of its manufacturing operations, resulting in the employment of additional persons and the generation of CREED revenue, which expansion would be an Additional Benchmark that would trigger payment of CREED revenue; and

WHEREAS, the City estimates, based on projected employment from the proposed PTS and Best Beers projects, that approximately \$173,000 will be available in CREED revenues beginning in 2005, net of commitments of CREED funding to PTS Corporation and Best Beers (the "Available CREED Funds"); and

WHEREAS, it is desirable to use \$100,000 per year of the Available CREED Funds to repay the Thomson TIF account until the \$1,100,000 demolition cost is repaid, and to deposit the remaining Available CREED Funds in the Industrial Development Fund so that it has funds available to assist additional businesses that may wish to locate or expand in the CREED; and

WHEREAS, the Bloomington Industrial Advisory Commission (BIDAC) voted on June 27, 2003 to approve the Additional Benchmarks; and

WHEREAS, redevelopment of the former Thomson site and reimbursement of the Thomson TIF with CREED revenues will be of significant public benefit and are in the best interests of the Bloomington community, and the parties wish to cooperate towards this goal;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

1. **Addition of Mackinac LLC as a Party.** Mackinac LLC is hereby added as a party to the Agreement and agrees to be bound by all provisions of the Agreement, as amended herein, as fully as if it had been an original party to the Agreement.
2. **Effective Date.** The rights and obligations of the Developers, the City and the Commission hereunder shall be effective upon the date of final execution of this Addendum.
3. **Designation of Additional Benchmarks.** The parties agree that the following events shall constitute Additional Benchmarks, as defined herein, pursuant to IC 36-7-13-18(b):
 - a. The execution of a purchase agreement or lease of any portion of the Mackinac Property or Bloomington LLC Property; and
 - b. The construction of footers and a foundation for any new construction or the remodeling of an existing building for business development or expansion, whether by Developers or third parties, upon any part of the Mackinac Property or the Bloomington LLC Property.

Additional Benchmarks shall include, but not be limited to, the entry into an agreement for purchase of land by Best Beers, Inc. or a related entity from Mackinac LLC, and the remodeling of part of Building Two for expansion of PTS.

4. **Effect of Attainment of Additional Benchmark.** The attainment of an Additional Benchmark shall entitle the City and the Commission to immediately receive any CREED revenues payable to Developers in the same manner as those revenues are payable under the Agreement for attainment of a Benchmark, except as amended herein.

5. **Efforts to Attain Benchmarks and Additional Benchmarks.** The Developers reaffirm and agree that they will make their best efforts to construct the Project, as defined in the Agreement, and attain the Benchmarks and the Additional Benchmarks. The Developers will provide the City and the Commission with such information as may reasonably be requested regarding Developers' progress in constructing the Project and attaining the Benchmarks and Additional Benchmarks. The Developer shall, subject to the terms of the Agreement, as amended herein, undertake the Project substantially in accordance with the Agreement and the objectives of the Economic Development Plan. The Developer may develop the Property in phases.

6. **Assignment of CREED Revenues.** (a) For good and valuable consideration, the receipt of which is hereby acknowledged, Travis LLC and Bloomington LLC hereby reaffirm the assignment, warranty and conveyance of all their right, title and interest in and to the receipt of CREED revenues payable to them on account of attainment of the Benchmarks to the Commission, or its successors and assigns and further agree to assign, warrant and convey all their right, title and interest in and to the receipt of CREED revenues payable to them on account of attainment of one or more of the Additional Benchmarks to the Commission, or its successors and assigns.

(b) For good and valuable consideration, the receipt of which is hereby acknowledged, Mackinac LLC hereby agrees to assign, warrant and convey all its right, title and interest in and to the receipt of CREED revenues payable to it on account of attainment of one or more of the Additional Benchmarks to the Commission, or its successors and assigns.

(c) The total amount of CREED revenues payable to the Commission is \$1,100,000. The City Controller is hereby directed to transfer the first \$100,000 in Available CREED Revenues, as defined herein, received from the State of Indiana each year beginning in 2005, to the Thomson TIF account, towards repayment of the demolition costs, until the sum of \$1,100,000 has been deposited in the Thomson TIF account. The parties understand that commitments of CREED revenues to PTS Corporation will be paid first from CREED revenues, the commitment to the Commission will be paid second, and any CREED revenues remaining after payment of these commitments may be expended from the IDF in accordance with IC 36-7-13.

(d) Developer hereby reaffirms and agrees to waive notice of deposit of CREED revenues into the Fund and consents to the payment of CREED revenues directly from the Fund to the Commission, without notice to or action by Developer, until the sum of \$1,100,000 has been repaid to the Commission.

7. **Notice.** Notice to Mackinac LLC shall be given to the following address:

Mackinac LLC
C/o Patterson Management Group
1720 North Kinser Pike
Bloomington, Indiana 47404

8. Remainder of Agreement Unchanged. All other provisions of the Agreement shall remain in full force and effect, except as modified by this Addendum.

9. Exhibits. All exhibits attached hereto are declared to be a part of this Addendum and are incorporated herein by this reference.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement pursuant to all requisite authorizations as of the date first above written.

ATTEST:

Regina Moore, City Clerk

CITY OF BLOOMINGTON, INDIANA

By: _____

John Fernandez, Mayor

By: _____

Chris Gaal, President
Bloomington Common Council

BLOOMINGTON REDEVELOPMENT
COMMISSION

By: _____

David Walter, President

ATTEST:

Timothy Hanson, Secretary

BLOOMINGTON LLC

By: _____

Printed name and title

TRAVIS LLC

By: _____

Printed name and title

MACKINAC LLC

By: _____

Tim J. Mitchell
Printed name and title

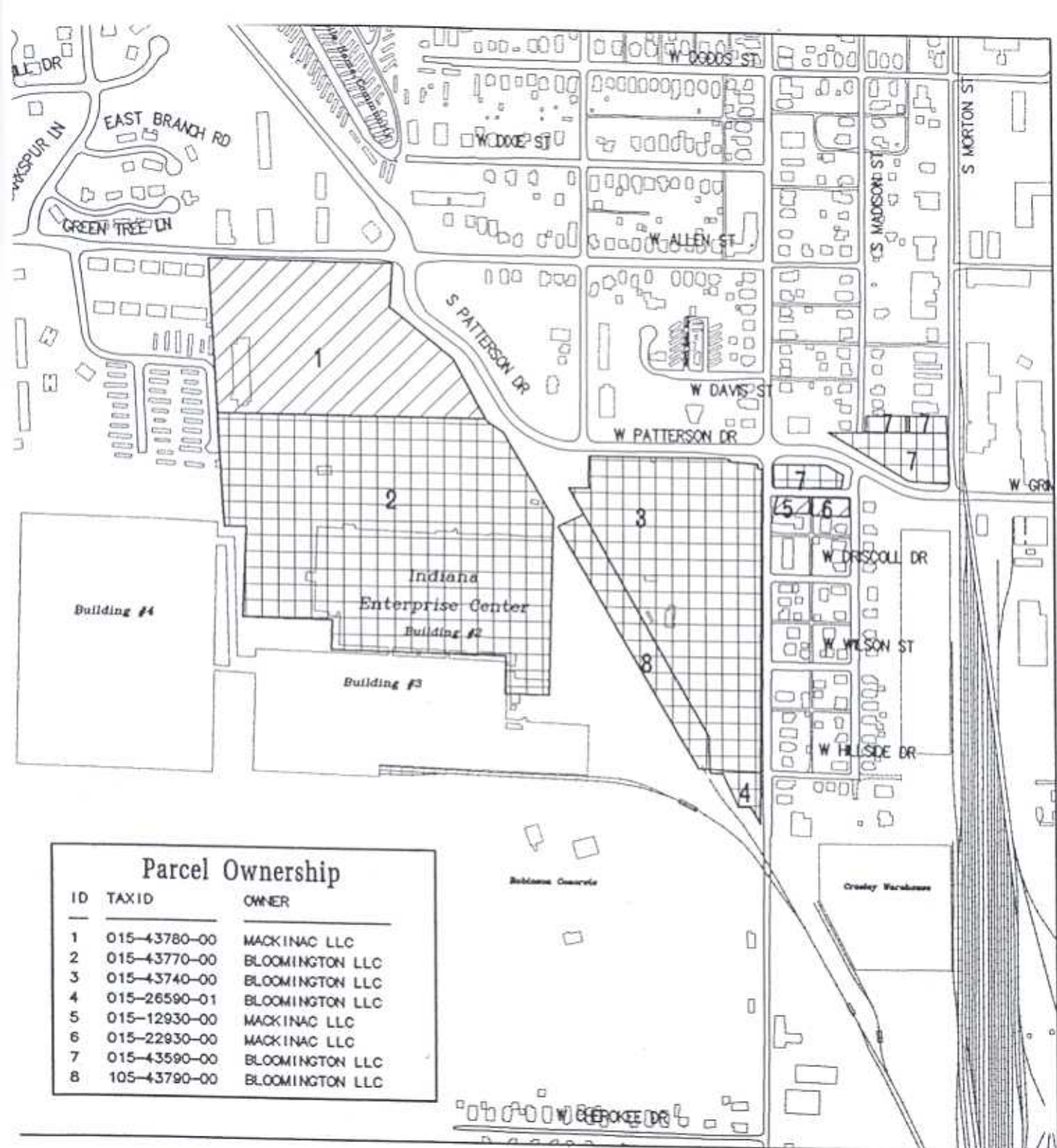
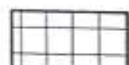


Exhibit A

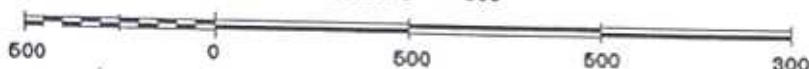


Bloomington LLC Properties



Mackinac LLC Properties

Scale: 1" = 500'



March 27, 2003

For use as map information only. Information is NOT warranted.

City of Bloomington
ITS Department



Geographic Information System

TownieoLP

ECONOMIC DEVELOPMENT FINANCING AGREEMENT

THIS ECONOMIC DEVELOPMENT AGREEMENT (this "Agreement"), is made and entered into as of the 11th day of July, 2001 by and between the CITY OF BLOOMINGTON, INDIANA (the "City"), THE BLOOMINGTON REDEVELOPMENT COMMISSION (the "Commission"), BLOOMINGTON LLC, an Indiana limited liability company and TRAVIS LLC, an Indiana limited liability company, both d/b/a Patterson Management Group (Bloomington LLC and Travis LLC are collectively referred to herein as the "Developer"). (The Commission, the City and Developer are sometimes hereinafter referred to individually as a "Party" and collectively as the "Parties").

RECITALS

- A. The City has, pursuant to IC 36-7-14 and IC 36-7-25 (the "Act"), established the Commission.
- B. The Commission has the authority to adopt tax increment financing pursuant to the Act, for areas within its jurisdiction designated by the Commission as economic development areas.
- C. The Commission has authorized the preparation of an economic development plan concerning the approximately 1016 acre area with the City of Bloomington, legally described and depicted in Exhibit A attached hereto and made a part hereof (the "Economic Development Area").
- D. In accordance with the Act, the Commission, after giving all notices required by law, conducted a public hearing with respect to the creation of an economic development area and its benefits to the City and to property within the proposed economic development area (the "Allocation Area") at a meeting of the Commission held on December 2, 1991.
- E. On January 6, 1992, the Commission, after giving and publishing all notices required by law and after conducting all public hearings required by law, established the boundaries of the Economic Development Area, declared this area to be an economic development area and approved an economic development plan (the "Economic Development Plan") for the Economic Development Area.
- F. On January 4, 1993, the Commission, after giving and publishing all notices required by law, conducted a public hearing and approved the expansion of the Economic Development Area and an amendment to the Economic Development Plan, which expansion and amendment were given final approval by the Commission on February 19, 1993.
- G. Pursuant to the Economic Development Plan, the Commission designated the entire Economic Development Area as an Allocation Area for purposes of capturing incremental ad valorem real property tax revenues levied and collected in the Allocation Area ("Tax Increment").

H. On April 2, 2001, the Commission, after giving and publishing all notices required by law, conducted a public hearing and approved an amendment to the Economic Development Plan allowing expenditure of Tax Increment from the Economic Development Area for the demolition of the building located at 1200 S. Rogers Street in Bloomington.

I. The Developer owns or controls the real property in the Economic Development Area located at 1200 S. Rogers Street (hereinafter "the Property"), which is the site of Building One of the former Thomson Consumer Electronics television assembly plant ("Building One").

J. The Developer intends to develop the Property in phases into a campus-style, high-tech business park known as the Indiana Enterprise Center, as follows: (a) After demolition of Building One, Developer will use its best efforts to construct one or more buildings in the northeast portion of the Indiana Enterprise Center and related parking, substantially as depicted in Exhibit B, attached hereto and incorporated by reference herein; and (b) Developer will use its best efforts to develop and improve all of the remainder Property substantially as depicted in Exhibit B (with both (a) and (b) generally more specifically described in Exhibit B and referred to herein as the "Project").

K. To implement the Economic Development Plan and the terms of this Agreement and the limitations hereinafter stated, the Commission has agreed (i) to undertake to demolish Building One (the "Demolition"), and to incur demolition costs not to exceed \$1,100,000 (the "Demolition Costs," as defined in Section 5.1 herein) in connection with such Demolition and pay for such Demolition Costs using Tax Increment Financing ("TIF") Revenue from the Economic Development Area.

L. A Community Revitalization Enhancement District ("CREED") has been established on the Property pursuant to Ind. Code 36-7-13, enabling incremental state income and sales taxes generated within the CREED above a base amount to be deposited in the Bloomington Industrial Development Fund (the "Fund") until 2013 and be spent by the City upon a recommendation by the Bloomington Industrial Development Advisory Commission ("BIDAC").

M. Under Ind. Code 36-7-13-18, a specified amount may be paid from the Fund to a developer of property within the CREED who has entered into a financing agreement with the governmental unit and a separate agreement with some other person for use or operation of the financed facility, upon the attainment by the developer of goals and benchmarks established by the governmental unit.

N. Developer has entered into agreements with Kiva Networking and First Capital USA for use of portions of the Property.

O. The Commission and City wish to obtain repayment of Tax Increment spent on the Demolition Costs with CREED revenues from the Fund, and wish to establish as a benchmark for CREED payment the construction of footers and foundations for the first building to be

constructed by Developer on the Property, which shall be in the northeast portion of the Property, shall contain at least 30,000 square feet, and shall be substantially similar to the buildings depicted in Exhibit B (the "Benchmark"), which Benchmark shall be valued for CREED reimbursement purposes at the amount of the Demolition Costs as defined in Section 5.1.

P. The Developer is willing to assign to the Commission its rights to receive payment from the Fund for attainment of the Benchmark.

Q. On April 10, 2001, the BIDAC approved its Resolution 01-01 recommending acceptance of the Benchmark as a benchmark pursuant to Ind. Code 36-7-13-18 and entry into a financing agreement between the City, Commission and Developer that is substantially similar to this Agreement.

R. The Commission, after due and careful consideration, has concluded that the economic development of the Property as a portion of the Economic Development Area as provided for herein and in the Economic Development Plan will further the growth of the City, facilitate the economic development of the entire Economic Development Area, improve the environment of the City, increase the assessed valuation of the real estate situated within the City, foster increased economic activity within the City, increase employment opportunities within the City, and otherwise be in the best interests of the City by furthering the health, safety, morals and welfare of its residents and taxpayers, and that entering into this Agreement is necessary and convenient to implement the Economic Development Plan and achieve its purposes.

V. The City wishes to have the Developer undertake the Project in order to serve the needs of the City and community and in order to increase the tax base of the City and, in order to stimulate and induce the redevelopment of the Property in the Economic Development Area, the Commission, on behalf of the City, has agreed to finance certain Demolition Costs, solely through the use of Tax Increment, all in accordance with the terms and provisions of the Act.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

ARTICLE 1

RECITALS PART OF AGREEMENT

1.1. Incorporation of Recitals. The representations, covenants and recitations set forth in the foregoing recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this Article I.

ARTICLE 2

MUTUAL ASSISTANCE

2.1. **Best Efforts and Good Faith, Cooperation.** The Parties acknowledge and understand that the City, the Commission and the Developer must take future actions to implement this Agreement; that the City's and the Commission's representations, covenants and agreements, are subject to and contingent upon the compliance with and completion of applicable statutory procedures, including, without limitation, any applicable public notice and public hearing requirements and any appeal rights; and that the City's and the Commission's obligations hereunder, and of their respective departments and commissions, are limited to working in good faith to effectuate the purposes of this Agreement.

The Developer shall use its best efforts to complete the Project substantially as depicted in Exhibit B and in accordance with a schedule to be agreed upon between the Commission and the Developer.

The parties shall cooperate with each other to fulfill the purposes of this Agreement.

ARTICLE 3

EFFECTIVENESS OF AGREEMENT

3.1. **Effective Date.** The rights and obligations of the Developer, the City and the Commission hereunder shall be effective upon the date of final execution of this Agreement.

ARTICLE 4

DEMOLITION OF BUILDING ONE AND REDEVELOPMENT AND USE OF THE PROPERTY

Demolition of Building One

(a) In order to further the economic development of the Economic Development Area and to induce the Developer to undertake the Project, the Commission shall cause to be demolished all or part of Building One in substantial accordance with plans and specifications therefor reasonably approved by the Developer and the various federal, state and local agencies required by law to approve such plans and specifications. The Commission shall solicit bids for the demolition of Building One pursuant to the applicable public work statutes and, if it receives a bid it determines is acceptable pursuant to the applicable statutes, shall enter into a contract for the demolition of Building One. If the lowest responsible and responsive bid for the demolition contract exceeds \$1,100,000, the Commission shall contract for part of the demolition of Building One, in an amount not to exceed \$1,100,000.

(b) The costs of the Commission's share of the Demolition shall not exceed \$1,100,000

and shall be paid solely from Tax Increment. Developer shall be responsible for any amounts by which the Demolition Costs exceed \$1,100,000.

(c) The Commission shall use its best efforts to complete the Demolition, or its share of the Demolition, in accordance with a schedule to be agreed upon by the Commission and the Developer.

4.2. **The Project.** In furtherance of the objectives of the Economic Development Plan, the Developer shall, subject to the terms of this Agreement, undertake the Project substantially in accordance with the objectives of the Economic Development Plan, and with Developer's proposed improvements for the Indiana Enterprise Center as depicted in Exhibit B and any schedule agreed to between the Developer and the Commission. The Developer may develop the Property in phases.

4.3. **Cooperation.** The Commission and the Developer shall cooperate with each other and consult with each other prior to and during the Demolition in order to achieve cost and time efficiencies and to coordinate scheduling. The Commission and the Developer shall each designate appropriate officers to act as liaisons for this purpose.

ARTICLE 5

DEMOLITION COSTS

5.1. **Definition of Demolition Costs.** For purposes of this Agreement, "Demolition Costs" shall mean either the actual cost of demolishing Building One as evidenced by the demolition contract entered into between the Commission and a demolition contractor and any change orders thereto, or \$1,100,000, whichever is more.

ARTICLE 6

6.1. **Definition of Completion of Demolition.**

For purposes of this Agreement, Demolition shall be deemed to be completed upon the occurrence of the first of the following events: When the contract entered into between the Commission and a demolition contractor has been fulfilled, as determined by the Commission or its agents, employees or assigns, or when Demolition Costs of \$1,100,000 have been incurred.

ARTICLE 7

DEVELOPER'S ASSIGNMENT OF CREED REVENUES

7.1. **Assignment of CREED Revenues.**

(a) For and in consideration of the Commission's agreement to expend Tax Increment for the Demolition Costs, and for the purpose of providing for repayment to the Commission of the Demolition Costs with CREED revenues payable to the Developer on account of attainment of the Benchmark, the Developer hereby warrants, conveys and assigns to the Commission and its successors and assigns forever all its right, title and interest in and to the receipt of CREED revenues payable to Developer on account of its attainment of the Benchmark. The amount of CREED revenues assigned shall be equal to the Demolition Costs as defined herein.

(b) Developer hereby waives notice of deposit of CREED revenues into the Fund and consents to the payment of CREED revenues directly from the Fund to the Commission, without notice to or action by Developer, as the CREED revenues are deposited in the Fund, until the full amount of the Demolition Costs have been repaid to the Commission.

7.2 Method of Payment of CREED Revenues. The BIDAC, acting upon advice from the City's Manager of Engineering Services and Public Works Director, shall determine when the Benchmark has been met, and upon its attainment shall provide a written recommendation to the Commission and City stating that the Benchmark has been attained. The City, through the City Controller, shall then transfer any CREED revenues in the Fund to the Commission's Thomson TIF account, and shall continue to transfer CREED revenues in the Fund to the Commission's Thomson TIF account as CREED revenues are deposited by the Indiana Department of Revenue into the Fund until the Demolition Costs have been repaid in full.

ARTICLE EIGHT

AUTHORITY

8.1 Powers. Subject to Section 2.1, the Commission hereby represents and warrants to the Developer that the Commission has full constitutional and lawful right, power and authority, under currently applicable law, to execute and deliver and perform the terms and obligations of this Agreement. This Agreement constitutes the legal, valid and binding obligation of the Commission, is enforceable in accordance with its terms and provisions, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws, judicial decisions and principles of equity relating to or affecting creditors' rights generally and subject to the valid exercise of the constitutional powers of the City, the Commission, Monroe County, the State of Indiana and the United States of America.

8.2. Authorized Parties. Whenever under the provisions of this Agreement and other related documents and instruments or any supplemental agreements, any request, demand, approval, notice or consent of the Commission or the Developer is required, or the Commission or the Developer is required to agree or to take some action at the request of the other, such request, demand, approval, notice or consent, or agreement shall be given for the Commission, unless otherwise provided herein, by the Mayor or his designee and for the Developer by any officer of

the Developer so authorized (and, in any event, the officers executing this Agreement are so authorized); and any Party shall be authorized, to the extent permitted by law, to act on any such request, demand, approval, notice or consent, or agreement.

ARTICLE 9

GENERAL PROVISIONS

9.1. **Time of Essence.** Time is of the essence of this Agreement. The Parties will make every reasonable effort to expedite the subject matters hereof and acknowledge that the successful performance of this Agreement requires their continued cooperation.

9.2. **Default.**

(a) A Party shall be deemed in default under this Agreement (which shall be deemed a breach hereunder) if such Party fails to materially perform, observe or comply with any of its covenants, agreements or obligations hereunder or breaches or violates any of its representations contained in this Agreement.

(b) Before any failure of any Party to this Agreement to perform its obligations under this Agreement shall be deemed to be a breach of this Agreement, the Party claiming such failure shall notify, in writing, the Party alleged to have failed to perform of the alleged failure and shall demand performance. No breach of this Agreement maybe found to have occurred if performance has commenced to the reasonable satisfaction of the complaining Party within thirty (30) days of the receipt of such notice, subject, however, to the terms and provisions of Section 9.2(c). Upon a breach of this Agreement, the non-defaulting Party, in any court of competent jurisdiction, by an action or proceeding at law or in equity, may, to the extent permitted by law, secure the specific performance of the covenants and agreements herein contained, may be awarded damages for failure of performance, or both. Except as otherwise set forth herein, no action taken by a Party pursuant to the provisions of this Section 9.2 or pursuant to the provisions of any other Section of this Agreement shall be deemed to constitute an election of remedies and all remedies set forth in this Agreement shall be cumulative and non-exclusive of any other remedy either set forth herein or available to any Party at law or in equity.

(c) Notwithstanding anything in this Agreement which is or may appear to be to the contrary, if the performance of any covenant or obligation to be performed hereunder by any Party is delayed as a result of circumstances which are beyond the reasonable control of such Party (which circumstances may include, without limitation, acts of God, war, acts of civil disobedience, fire or other casualty, shortage of materials, adverse weather conditions (such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures, or tornadoes, strikes or similar acts) the time for such performance shall be extended by the amount of time of such delay. The Party claiming delay of performance as a result of any of the foregoing "force majeure" events shall deliver written notice of the commencement of any such delay resulting from such

force majeure event not later than seven (7) days after the claiming Party becomes aware of the same, and if the claiming Party fails to so notify the other Party of the occurrence of a "force majeure" event causing such delay, the claiming Party shall not be entitled to avail itself of the provisions for the extension of performance contained in this Section 9.2(c).

9.3. **Amendment.** This Agreement, and any exhibits attached hereto, may be amended only by the mutual agreement of the Parties evidenced by a written amendment.

9.4. **Entire Agreement.** This Agreement sets forth all agreements, understandings and covenants between and among the Parties relative to the matters herein contained except the Right of Entry Agreement for Demolition entered into on May 7, 2001. Except the aforementioned Right of Entry Agreement, this Agreement supersedes all prior written agreements, negotiations and understandings, written and oral, and shall be deemed a full integration of the entire agreement of the Parties.

9.5. **Severability.** If any provision, covenant, agreement or portion of this Agreement, or its application to any person, entity or property, is held invalid, such invalidity shall not affect the application or validity of any other provisions, covenants, agreements or portions of this Agreement and, to that end, all provisions, covenants, agreements or portions of this Agreement are declared to be severable.

9.6. **Indiana Law.** This Agreement shall be construed in accordance with the laws of the State of Indiana.

9.7. **Notice.** Any notice to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be (i) delivered personally, with a receipt requested therefor; or (ii) sent by telecopy facsimile, or (iii) sent by a nationally recognized overnight courier service; or (iv) delivered by United States registered or certified mail, return receipt requested, postage prepaid. All notices shall be addressed to the Parties at their respective addresses set forth below, and shall be effective (a) upon receipt or refusal if delivered personally or by telecopy facsimile; (b) one (1) business day after depositing with such an overnight courier service or (c) two (2) business days after deposit in the United States mails, if mailed. A Party may change its address for receipt of notices by service of a notice of such change in accordance with this Section 9.7. All notices by telecopy facsimile shall be subsequently confirmed by U. S. certified or registered mail, return receipt requested.

If to the City:

Mayor
P.O. Box 100
City Hall, 401 North Morton Street
Bloomington, Indiana 47402

with a copy to:

Corporation Counsel
P.O. Box 100
City Hall, 401 North Morton Street
Bloomington, Indiana 47402

If to the Commission:

Bloomington Redevelopment Commission
P.O. Box 100
City Hall, 401 North Morton Street
Bloomington, Indiana 47402

with a copy to:

Corporation Counsel
P.O. Box 100
City Hall, 401 North Morton Street
Bloomington, Indiana 47402

If to the Developer:

Bloomington LLC
C/o Patterson Management Group
1720 North Kinser Pike
Bloomington, Indiana 47404

9.8. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

9.9. **Consent or Approval.** Except as otherwise provided in this Agreement, whenever consent or approval of either Party is required, such consent or approval shall not be unreasonably withheld.

9.10. **Term of Agreement.** The term of this Agreement shall commence on the date first above written and shall continue until the date which is the earlier of (A) the repayment with CREED revenues of the Demolition Costs paid by the Commission for demolition of Building One, or (B) fifteen (15) years.

9.11. **Interpretation.** This Agreement has been jointly negotiated by the Parties and shall not be construed against a Party because that Party may have assumed primary responsibility for the drafting of this Agreement.

9.12. **Exhibits.** All exhibits attached hereto are declared to be a part of this Agreement and are incorporated herein by this reference.

9.13 **Successors in Interest.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement pursuant to all requisite authorizations as of the date first above written.

ATTEST:

Regina Moore
Regina Moore, City Clerk

CITY OF BLOOMINGTON, INDIANA

By: John Fernandez
John Fernandez, Mayor

By: Patricia Cole
Patricia Cole, President
Bloomington Common Council

BLOOMINGTON REDEVELOPMENT
COMMISSION

By: David Walter
David Walter, President

ATTEST:

Timothy C. Hanson
Timothy Hanson, Secretary

BLOOMINGTON LLC

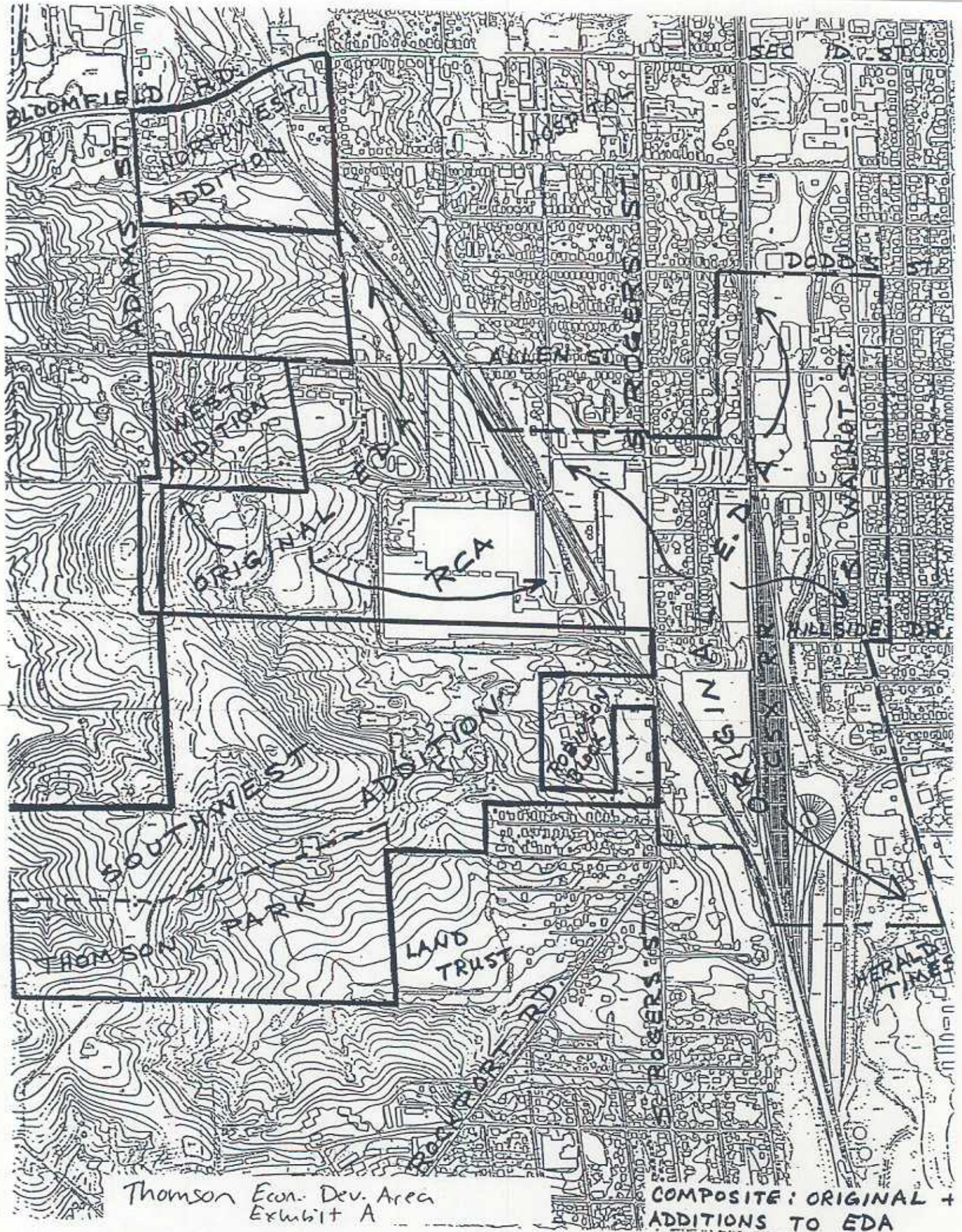
By: Harold A. Harrell

HAROLD A. HARRELL
Printed name and title MEMBER

TRAVIS LLC

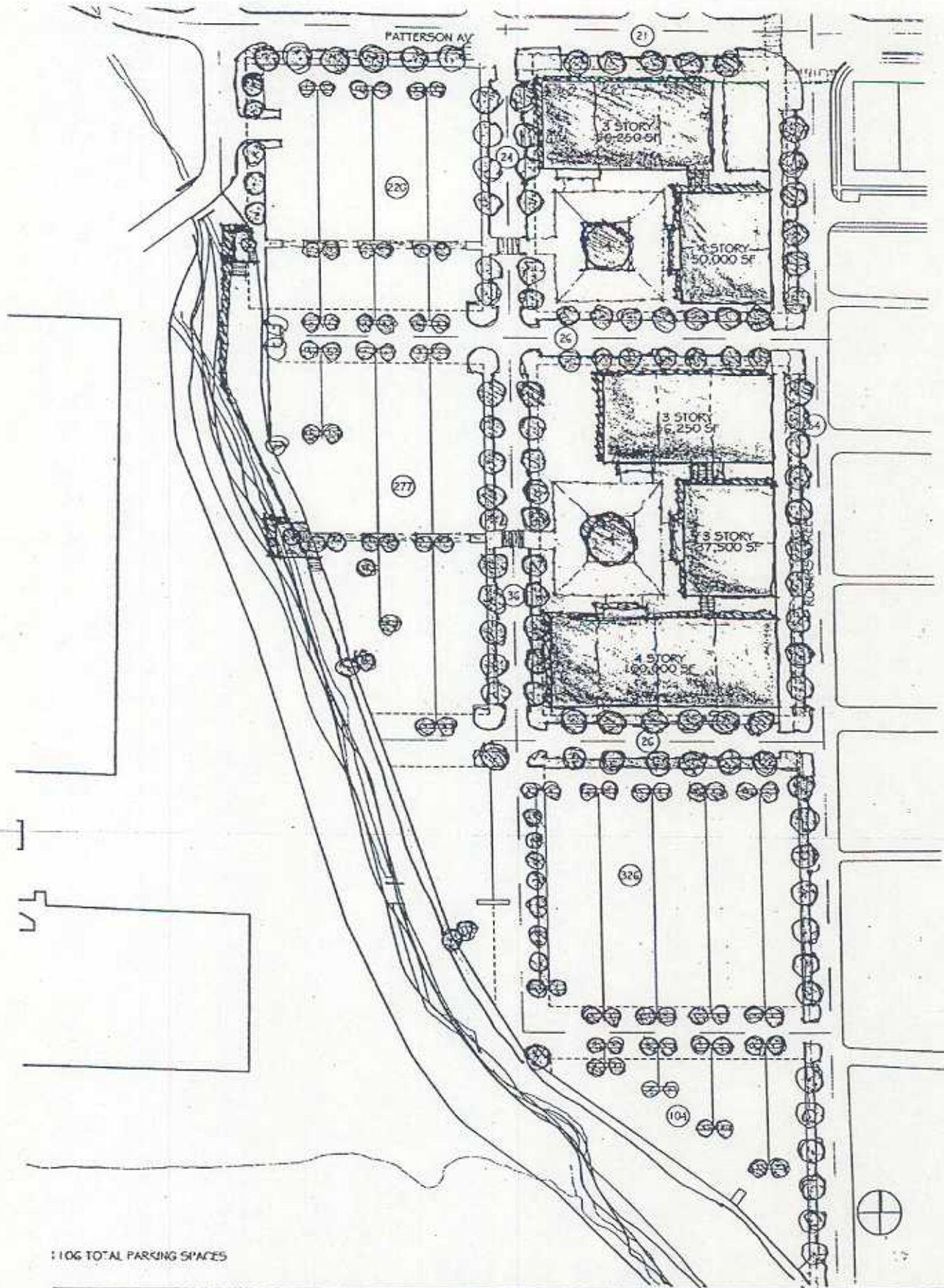
By: Harold A. Harrell

HAROLD A. HARRELL
Printed name and title MEMBER



Thomson Econ. Dev. Area
Exhibit A

COMPOSITE: ORIGINAL +
ADDITIONS TO EDA



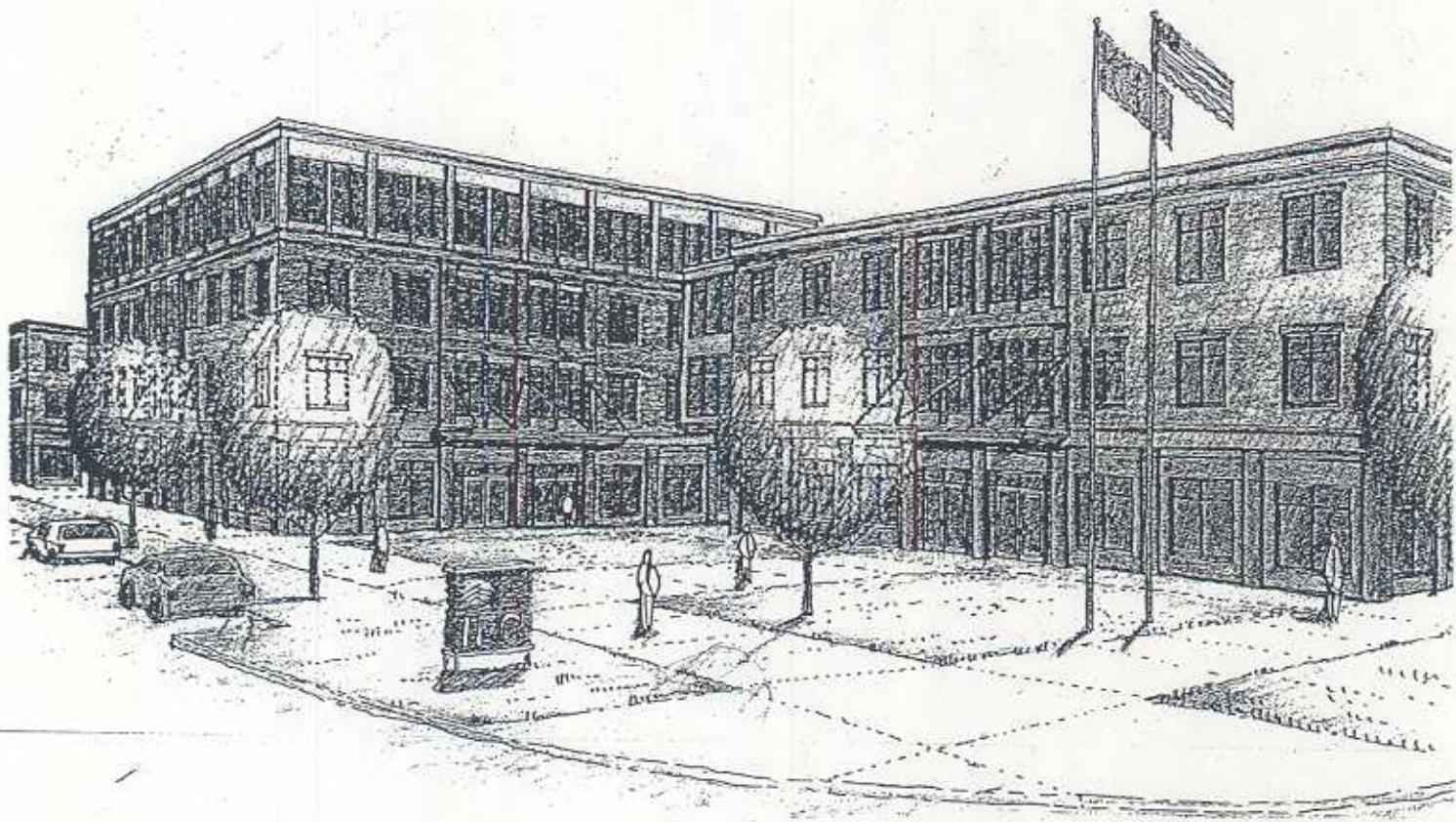
IEC SITE SCHEMATICS

PREPARED BY KIRKWOOD DESIGN STUDIO, P.C.

OPTION - 3A 3

1/10/01

Exhibit B, p. 1 of 3

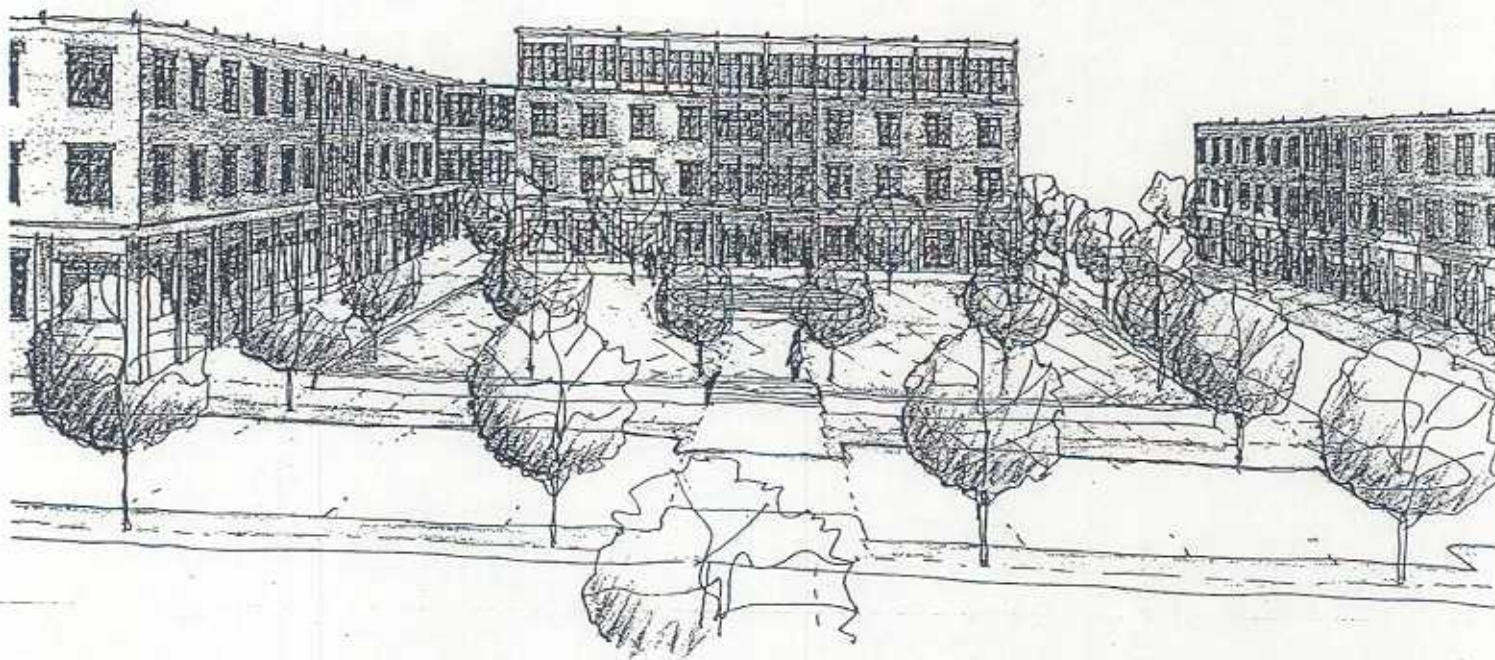


PERSPECTIVE - CORNER OF ROGERS AND PATTERSON

IEC - INDIANA ENTERPRISE CENTER

PREPARED BY KIRKWOOD DESIGN STUDIO PC, ARCHITECTS

Exhibit B, p. 2 of 3



PERSPECTIVE - COURTYARD

IEC - INDIANA ENTERPRISE CENTER

PREPARED BY KIRKWOOD DESIGN STUDIO PC, ARCHITECTS

Exhibit B, p. 3 of 3

Ord 03-17

Amending Title 15

"Vehicles and Traffic"

Fines, Appeals, Display of
Permits, and Other
Miscellaneous Matters

Additional Information

Memo from James
McNamara, Deputy Mayor



**City of Bloomington
Office of the Mayor**

John Fernandez

TO: Councilmembers
FROM: James McNamara
DATE: July 25, 2003
SUBJ: Ordinance 03-17

Ordinance 03-17 (To Amend Title 15 of the Bloomington Municipal Code Entitled "Vehicles And Traffic") should be viewed as having two main components. The first is to raise parking fines and the other is "housekeeping" of the Bloomington Municipal Code so that the Code matches current practice.

The ordinance comes forward with the primary motivation of raising parking fines. As you may recall, when we brought forward legislation late last year to raise parking fees, there was discussion to the effect that we would consider adjusting fines in order to balance the revenue sources needed to meet the current and future capital and operating needs of the Parking Enforcement Division. Sections 11 and 13 of Ordinance 03-17 deal with the parking fine adjustments.

The goal of the adjustments is revenue generation (and they may increase compliance with parking regulations.) In addition to an ~ \$1 million operating budget, the Parking Enforcement Fund also funds the debt service (really lease-purchase payments) on the 7th and Walnut garage (\$282,131 in the 2004 budget) and the new Regester Garage (~\$500,000 budgeted; exact amount will depend on interest rates when lease is signed.)

To the extent that the Parking Enforcement Fund generates revenues insufficient to meet these commitments, debt service needs to be supplemented with funds from either the downtown TIF or the general fund, the latter of which would require an additional appropriation from cash balances. We believe it good policy to match the nature of these debt service expenditures with the revenues generated from similar operations (parking) and avoid, to the degree that we can, the use of the more general-purpose funds to finance these facilities.

Currently the basic (Class D) parking fine is \$12 if the fine is paid within seven days and \$17 if paid later than that. This does not include violations with special fines such as parking in a spot designated for people living with disabilities, or in a spot designated for someone with a reserved lease. This ordinance only changes the fine for Class D violations — what you usually think of when you think of a typical parking ticket: parking beyond time limit, in a neighborhood zone without a permit, etc.

Earlier this summer I floated a proposal to raise the basic fine to \$20 if paid within seven days, and \$30 if paid thereafter. We feel it is important and cost-efficient to incent on-time payment. Fines not paid in the first seven days very often result in additional costs

to the City associated with collection. This was the motivation to raise the "late" fine by \$13, or 76%.

Some councilmembers were uncomfortable with the magnitude of the increase for the proposed on-time fine – from \$12 to \$20. Accordingly, this ordinance comes to you with the late fine increased to \$30 to incent on-time payment, but with the on-time fine raised to \$15, rather than \$20. As a basis for comparison, parking fines for violations on the Indiana University campus range from \$35 for general "illegal parking" to \$50 for parking in an A or C lot without the proper permit.

It is difficult to develop good projections of the additional revenue the fine adjustment will generate if this ordinance is adopted. We do not believe that the fine increase is large enough to have a significant impact on either the number of parking tickets written or on the broader demand for parking downtown or in the residential zones. A conservative approach to revenue projection might take the total 2002 parking fine revenues - ~\$571,000 – and assume, purely for estimation purposes, that all that revenue was derived from \$12 tickets. With these assumptions and that of no impact on how many tickets are written, a \$15 fine would generate an estimated \$142,750 in additional revenue. Again, revenue generated from fines is revenue that will not need to be taken from the downtown TIF fund or the general fund, leaving those funds more available for broader purposes.

Sections 11 and 13 of Ordinance 03-17 deal with the parking fines. The other sections and, in terms of text, the vast majority of the ordinance is what I would call housekeeping: modifying the Bloomington Municipal Code to match current practice on what I think I can safely call procedural, rather than policy, matters. The "strikeout" version of the Code provided by Rachel Atz in your packets summarizes these changes better than I could ever hope to in a narrative memo. If you have questions about these Sections (1-10 and 12,) please contact me or Jack Davis. Questions about sections 14 and 15 can be addressed to the City Clerk.

RESOLUTION 03-15

TO CONFIRM RESOLUTION 03-14 WHICH DESIGNATED AN ECONOMIC REVITALIZATION AREA (ERA)

Re: 1300 S. Patterson Drive
(PTS Corporation, Petitioner)

- WHEREAS, Petitioners have filed an application for designation of the property located at 1300 Patterson Drive as an "Economic Revitalization Area"; and
- WHEREAS, the application has been reviewed by the Planning Department, and the Economic Development Commission has passed a resolution recommending to the Common Council the approval of the "Economic Revitalization Area" designation for said property and for said term of years; and
- WHEREAS, petitioner intends to expand its business by purchasing and installing new manufacturing equipment and wishes to obtain tax abatement for said equipment, which shall be referred to as the Project; and
- WHEREAS, pursuant to state law, petitioners seeking designation for their property as an Economic Revitalization Area must complete a Statement of Benefits and must provide information in a timely fashion each year to the County Auditor and the Common Council showing the extent to which there has been compliance with the Statement of Benefits; and
- WHEREAS, the Common Council has investigated the area and reviewed the Application and Statement of Benefits, which are attached and made a part of Resolution 03-14, and found the following:
- A. the estimate of the value of the redevelopment or rehabilitation is reasonable;
 - B. the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation;
 - C. the estimate of the annual salaries of these individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation;
 - D. the redevelopment or rehabilitation has received approval from the Planning Department, is consistent with the Growth Policies Plan, is expected to be developed and used in a manner that complies with local code, and provides housing in the downtown area; and
 - E. the totality of benefits is sufficient to justify the deduction; and
- WHEREAS, the property described above has experienced a cessation of growth;
- WHEREAS, the Common Council adopted Resolution 03-14 on July 9, 2003, which designated the above property as an "Economic Revitalization Area," and published a notice of the passage of that resolution, which requested that persons having objections or remonstrance to the designation appear before the Common Council at its meeting on August 6, 2003; and
- WHEREAS, the Common Council has reviewed and heard all such objections and remonstrance to such designation;

NOW THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

1. Pursuant to Indiana Code 6-1.1-12.1-1 et seq., the Common Council hereby affirms its determination made in Resolution 03-14 that the area described above is an "Economic Revitalization Area" and further finds and determines that the owner of the property shall be

entitled to a deduction from the assessed value of the new manufacturing equipment for the Project for a period of five (5) years, which includes the purchase of new manufacturing equipment.

2. In granting this designation and deduction the Council is also expressly exercising the power set forth in I.C. 6-1.1-12.1-2(I)(5) to impose reasonable conditions on the rehabilitation or redevelopment. Failures of the property owner to make reasonable efforts to comply with these following conditions are additional reasons for the Council to rescind this designation and deduction:

- a. the improvements described in the application shall be commenced (defined as obtaining a building permit and actual start of installation) within twelve months of the date of this designation; and
- b. the land and improvements will be developed and used in a manner that complies with local code.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this ____ day of _____, 2003.

CHRIS GAAL, President
Bloomington Common Council

SIGNED and APPROVED by me upon this ____ day of _____, 2003.

JOHN FERNANDEZ, Mayor
City of Bloomington

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

SYNOPSIS

This resolution affirms the determination of the Common Council expressed in Resolution 03-14 to designate the property located at 1300 S. Patterson Drive as an "Economic Revitalization Area" for a period of five (5) years. The resolution also grants a deduction for the assessed value of new manufacturing equipment over that same period of time. Before it may adopt the resolution, state law requires that the Common Council hold a legally advertised public hearing for the purpose of receiving public comment on this legislation.

**STATEMENT OF BENEFITS**

State Form 27167 (R7 / 12-01)

Prescribed by the Department of Local Government Finance

**FORM
SB-1****INSTRUCTIONS:**

1. This statement must be submitted to the body designating the economic revitalization area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and / or research and development equipment, or **BEFORE** redevelopment or rehabilitation of real property for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987 & areas designated after July 1, 1987 require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation or prior to installation of the new manufacturing equipment and / or research and development equipment, **BEFORE** a deduction may be approved.
3. To obtain a deduction, Form 322 ERA, Real Estate Improvements and / or Form 322 ERA / PPME and / or 322 ERA / PPR & DE, must be filed with a county auditor. With respect to real property, Form 322 ERA must be filed by the later of: (1) May 10; or (2) thirty (30) days after a notice of increase in property assessment is received from the township assessor. Form 322 ERA / PPME and / or 322 ERA PPR & DE must be filed between March 1 and 15 of the assessment year in which new manufacturing equipment and / or research and development equipment becomes assessable, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year of Benefits. (IC 6-1.1-12.1-5.6)
4. Property owners whose Statement of Benefits was approved after June 30, 1991 must submit Form CF - 1 annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-4(d) and IC 6-1.1-12.1-4.5 (e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000.
5. The schedules established under IC 6-1.1-12.1-4(d) and IC 6-1.1-12.1-4.5 (e) effective July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.

SECTION 1**TAXPAYER INFORMATION**

Name of taxpayer

PTS CORPORATION

Address of taxpayer (street and number, city, state and ZIP code)

5233 HIGHWAY 37 SOUTH

Name of contact person

AMY KETCHAM

Telephone number

(812) 824-9331

SECTION 2**LOCATION AND DESCRIPTION OF PROPOSED PROJECT**

Name of designating body

CITY OF BLOOMINGTON COMMON COUNCIL

Resolution number

Location of property

1300 S. PATTERSON DRIVE

County

MONROE

Taxing district

53008

Description of real property improvements and / or new manufacturing equipment and / or research and development equipment (use additional sheets if necessary)

ELECTRONICS REPAIR EQUIPMENT

ESTIMATED

Start Date

Completion Date

Real Estate

New Mfg Equipment

R & DE

JUNE 03

JULY 04

SECTION 3**ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT**Current number
845

Salaries

17,446,000

Number retained

845

Salaries

17,446,000

Number additional

296

Salaries

6,104,800

SECTION 4**ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT**

NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.

Real Estate Improvements

Machinery

Research and Development Equipment

Cost

Assessed Value

Cost

Assessed Value

Cost

Assessed Value

Current values

Plus estimated values of proposed project

Less values of any property being replaced

Net estimated values upon completion of project

2,632,740

SECTION 5**WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER**

Estimated solid waste converted (pounds)

Estimated hazardous waste converted (pounds)

Other benefits:

SECTION 6**TAXPAYER CERTIFICATION**

I hereby certify that the representations in this statement are true.

Signature of authorized representative

Amy L Ketcham

Title

Controller

Date signed (month, day, year)

6/18/2003

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

- A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.
- B. The type of deduction that is allowed in the designated area is limited to:
1. Redevelopment or rehabilitation of real estate improvements; ☐ Yes ☐ No
 2. Installation of new manufacturing equipment; ☐ Yes ☐ No
 3. Installation of new research and development equipment; ☐ Yes ☐ No
 4. Residentially distressed areas ☐ Yes ☐ No
- C. The amount of deduction applicable for redevelopment or rehabilitation is limited to \$ _____ cost with an assessed value of \$ _____.
- D. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____.
- E. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.
- F. Other limitations or conditions (specify) please see Res 02-14, Res 02-15 & application

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member)	Telephone number ()	Date signed (month, day, year)
Attested by:	Designated body	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4, pr 4.5.

Res 03-15

Confirming Res 03-14 which
Designated an ERA,
Approved a Statement of
Benefits, and Authorized a 5-
Year Period of Tax
Abatement
(Building Two of the IEC,
PTS, Petitioner)

Additional Information

Please See Res 03-14 in the
July 3, 2003 Packet